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# *City of Dover*

## New Hampshire

### **Comprehensive Annual Financial Report**

For the Fiscal Year Ended June 30, 2009

#### Governmental Funds:

##### Balance Sheet

##### Reconciliation of the Governmental Fund Balances to Net Assets, Including Capital Assets and Other Assets

##### Statement of Revenues, Expenditures, and Changes in Fund Balances

##### Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

##### Statement of Revenues and Other Financing Sources, and Expenditures and Other Financing Uses - Budget and Actual - General Fund

**CITY OF DOVER, NEW HAMPSHIRE**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2009**

**Prepared by:**  
**The Finance Department**

**Daniel R. Lynch**  
**Finance Director**

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## INTRODUCTORY SECTION



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City Manager

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## *City of Dover, New Hampshire* OFFICE OF THE CITY MANAGER

February 26, 2010

To the Honorable Mayor and members of the City Council:

City Charter Section C6-12, Independent Audit, requires an annual independent audit of all City accounts at least annually. This Comprehensive Annual Financial Report (CAFR), including the opinion of the independent auditor, is published to fulfill that requirement for the fiscal year ending June 30, 2009.

The CAFR covers all funds of the City of Dover that by law, City Charter, or other fiduciary obligation, the City has become obligated to administer in connection with its responsibility providing services.

This report consists of the management's representations concerning the finances of the City of Dover. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making the representations, management has established comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City's financial statements have been audited by Macdonald Page & Company, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for fiscal year ending June 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based on their audit, that there was reasonable basis for rendering an unqualified opinion that the finan-

cial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Users of this CAFR are encouraged to read this Letter of Transmittal in conjunction with the City's MD&A section found immediately following the report of the independent auditors.

### **Profile of Government**

**Geography.** Dover, New Hampshire is located ten miles from the Atlantic Ocean in southern New Hampshire and is 48 miles south of Portland, Maine and 68 miles north of Boston, Massachusetts. Situated at the confluence of the Cochecho, Salmon Falls and Bellamy Rivers, Dover is a major New Hampshire industrial, employment, and distribution center for the seacoast. Dover provides a gateway to both the Maine coast and the White Mountains of New Hampshire. The City of Dover occupies an area of 29 square miles and serves a population of 26,884, based on the 2000 Census.

The City of Dover, settled in 1623, is the oldest continuous settlement in New Hampshire and the seventh oldest in the United States. It was incorporated on June 29, 1855. The City Charter adopted on March 9, 1977, remained in effect until a new charter was passed on November 8, 2005 and became effective January 1, 2006. Only minor changes were made versus the old charter. On November 6, 2007, the charter was amended establishing a limitation on annual budget increases. Dover operates under the council-manager form of government. Dover is the seat of Strafford County.

**Services.** The City of Dover provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, sanitation services such as solid waste disposal and recycling, water distribution, wastewater collection and treatment, recreational and cultural events and education from kindergarten through grade 12 with a regional vocational center and alternative high school opportunities.



**Governing Boards.** The City Council, consisting of nine members, is the legislative body elected in non-partisan elections every two years, with one representative from each of six wards, two elected at-large and a Mayor. The City Council is responsible, among other things, for passing ordinances, adopting the annual budget, adopting a six year capital program, adopting bond authorizations, appointing committees and boards, and hiring of the City Manager. The City of Dover is empowered by state statute to levy property taxes on real property located within its boundaries to fund operations.

The Dover School Department is a dependent school district. The City Council has bottom line appropriation authority for the School Department budget. The seven member Dover School Board is elected in non-partisan elections every two years and has authority to allocate and move appropriations within its budget.

**Administration.** Administrative functions are carried out by the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, compliance with State and Federal laws, for overseeing the day-to-day operations of the government, for appointing the heads of the various departments, for negotiating with the various bargaining units of the City and making recommendations to the City Council on various issues.

Administrative functions of the dependent School district are carried out by the School Board. The Board is responsible for carrying out policies and procedures, compliance with State and Federal laws, overseeing the day to day operations of the dependent School district, negotiating with the various bargaining units, making appointments of school personnel, establishing curriculum and addressing various issues.

**Fiscal Year and Budget.** The City's fiscal year begins on July 1st of each year and ends the following June 30th. The City's budget process commences in the fall of each year with the Capital Improvements Program budget. All capital spending of \$10,000 or more for items with useful lives of 3 years or longer are included in this budget. Based on City Council financing policy, items are identified for bonding, annual operating budget or other type of financing.

Items identified for the annual operating budget are included in the next City Manager's recommended annual budget. Departments are responsible for submitting their annual budget request to the City Manager. After reviews with the departments, the City Manager makes any final adjustments to his recommended budget. The City Manager's recommended annual budget for the next fiscal year, which includes the School Board request, is due to the City Council by April 15th of each year.

The City Council may add to, or cut from, the Manager's recommended annual budget by majority vote; however, the City Council must pass the budget by June 15th after separate public hearings for the City and School budgets and the budget becomes effective July 1. If the City Council does not adopt the budget by June 15th, the City Manager's recommended budget takes effect July 1.



After the original budget is adopted, the City Manager may make appropriation transfers within a non-school department or transfer between non-school departments with City Council approval. After initial adoption, the City Council may amend the budget by two-thirds vote.

### **Factors Affecting Financial Condition**

**Local Economy.** The local Economic environment over the past fiscal year has declined significantly in specific activity sectors including manufacturing, residential and commercial construction, and a variety of services in financial, hospitality and general retail areas. Economic development activity continues to support existing business retention with some success despite the loss of critically important credit and financing availability for local small businesses.

Through vigorous business relocation outreach coupled with the extraordinary municipal spending restraint, wage freezes and salary cuts, in the City's municipal operations and the approval of three Economic Revitalization Zone Districts have successfully brought some new businesses into the City.

The expanding healthcare footprint in the City has continued to add stability to the economic mix and has kept unemployment in Dover well below that of New Hampshire, the surrounding communities and the nation.

New Hampshire's GDP and local labor force, in moderate decline since the end of fiscal year 2008, have now stabilized. At the conclusion of the 2009 fiscal year, the labor force for the Dover Region, unadjusted, was 57,400; a decrease of 300, or about 1.0% from the prior fiscal year end. Included in these numbers was a resident Dover labor force of 17,580, decreasing by 3.6% from the prior fiscal year.

Dover's local unemployment rate is currently at 6%, which is 2.5% higher than this time last year and has improved by 0.1% since March of 2009. The seasonally adjusted unemployment rate for Dover, consistently lower than that of the U.S. (9.8%) and the State of New Hampshire (6.8%) was at 6.1% at the end of fiscal year 2009, an increase of 2.6% over the previous fiscal year end. The national unemployment rate increased by 3.6% in the same time period.

In combination with the current economic environment and unemployment levels, the per capita personal income in Dover decreased by an estimated 1.0% from \$29,899 in FY08 to \$29,628 in FY09.

The number of motor vehicle permits decreased slightly to 27,665 in FY09 as compared to 29,840 in FY08. The number of building permits decreased from 398 in FY08 to 349 in FY09 and the average permit value decreased from \$134,357 to \$96,674.

Although residential development has slowed considerably, the City saw modest commercial growth during fiscal year 2009. Planning efforts have continued in anticipation of future residential and multi-use development projects being undertaken.

Residential development continues to decline but appears to be stabilizing as the \$8,000 first time buyer incentive, low mortgage rates, and declining prices are somewhat offset by more stringent down payment and credit quality requirements from lenders. Time will determine whether these one-time incentives can sustain the recent uptick in home sales.

Modest commercial development growth exists, primarily in building rehabilitation rather than new construction, but is in an early decline cycle, following residential by about 18 months.

Hospitality industry development has continued in proximity to the Liberty Mutual and Measured Progress companies at the north end of the City.

The Exit 9 location on the Spaulding Turnpike has continued to experience development activity. A 100,000 sq. ft. medical practices building recently completed has four of its five floors fully occupied at present. The Exit 9 Transportation Center is now fully utilized as a hub for inter and intra city park and ride as well as by commuters to Boston, Boston-Manchester Airport and Logan Airport.

The new Liberty North-End Fire Station/Administrative Center for the Fire Department and City Inspection Services is completed and fully functional.

In the downtown area, the Childrens' Museum of New Hampshire attracted 130,000 visitors in their first full year of operation in Dover bringing added vibrancy, customer traffic, and new dollars to downtown businesses and restaurants.

To further expand the downtown, efforts to redevelop the Cochecho Waterfront parcel continue. Site and building design requirements to be followed by the selected developer continued to be negotiated. The selected waterfront developer has signed a land disposition agreement and has formulated plans for development of the site. The \$75 million privately financed project includes commitments to construct high end residential condominium units, more than 30,000 square feet of new retail and office space, boating facilities and a restaurant along the riverfront.

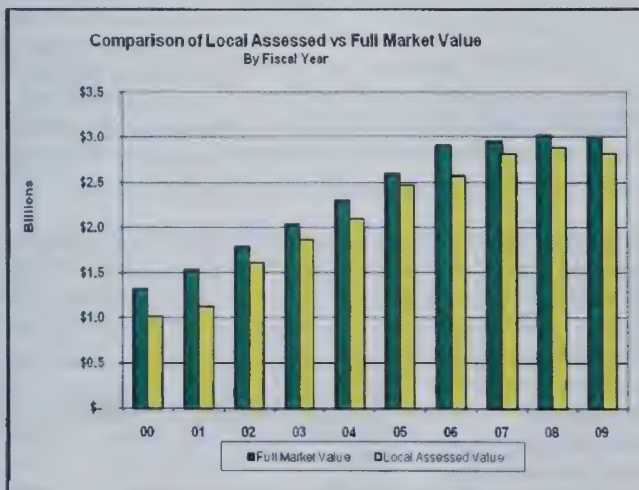
The integration of the Dover waterfront redevelopment into the downtown has begun with the construction of the Washington Street Bridge and the planned relocation of the pedestrian covered bridge, a Dover icon.

In the north square of downtown, a new mixed use multi-story Centrix Bank and office building is up and running.

In the Locust Street industrial Park, three new electronics assembly and component businesses are in or moving in into a formerly vacant building, bringing 65 new jobs.

In the Enterprise Business Park, two high tech relocation candidate companies are considering building on available parcels owned by DBIDA.

The City's full value property tax rate remained stable in comparison to the NH State median. The median reflects the mid-point of all rates in the State. Because Dover remains approximately at the median, this means that about half of the tax rates in the State are higher than Dover's and about half are lower. This is a good measure of tax burden as all municipal assessed values are brought to full market value and tax rates equalized.



Full market value as determined by the NH Department of Revenue Administration decreased 0.6% during the fiscal year. Assessed value as a ratio of full market value was 93.5%. In the second half of fiscal year 2008 the City's assessed property values started to decline with many residential properties demonstrating depreciation in values

based on sales data. As of April 1, 2009 the City's overall residential assessed values demonstrated a 7.62% decline in value.



The recent difficulties in the national credit market have taken a toll on real estate activity throughout New England. While New Hampshire and Dover, in particular, are not immune, the level of decline in real estate transactions during the past year has been relatively small. The real estate sales activity in Dover for FY09 was 712 transactions versus 781 for FY08. This level of activity represents transfers of 7.3% of taxable parcels during FY09 down slightly from 8.0% in FY08. In conjunction with this activity, the number of taxable parcels increased from 9,685 in FY08 to 9,808 in FY09, a 1.3% increase. This increase in taxable parcels in combination with a decline of property values has resulted in the equalized property value per capita decreasing from \$103,658 for FY08 to \$102,322 for FY09, down 1.3% for the fiscal year.



The percentage of uncollected taxes for the current tax levy at the end of fiscal year 2009 increased slightly to 4.6% as compared to 4.2% in FY08 (actual amount increasing from \$2.3 million to \$2.6 million). There were 380 parcels from the current tax levy with outstanding taxes that had a lien placed, up from 295 last year. The number of delinquent parcels increased by 3.8%, however, the dollar amount of the liens

increased slightly to 2.4% of the tax levy as compared to 1.8% for last year.

**Financial Position.** The City's General Fund ended Fiscal Year 2009 with a decrease to its Undesignated Fund Balance of \$470,624 to \$5.11 million. The General Fund undesignated fund balance at June 30, 2009 was 6.12% of the FY10 budget (6% is the minimum requirement of the City Financial Policies). The Water Fund saw an increase in unrestricted net assets by \$913,141 to \$1.1 million. The Sewer Fund saw an increase in unrestricted net assets by \$4,337,114 to \$5.1 million. A significant portion of the increase in unrestricted net assets of the Water and Sewer Funds is the result of a prior period adjustment to record donated roads and related infrastructure. In FY 2009 the Arena Fund was dissolved into the City's General Fund. The City continues efforts to balance the fiscal operations of the Arena, including scheduled fee increases and expenditure control.

Unreserved Net Assets		
Fund	FY09	FY08
General	5,114,311	5,584,935
Water	1,147,628	234,487
Sewer	5,185,589	848,475
Total	11,447,528	6,667,897

The liquidity of the General, Water and Sewer Funds is good. This is based on the quick ratio which is a measure of current asset (excluding inventories) divided by current liabilities. A ratio of 1 is considered satisfactory. The General Fund had a quick ratio of 1.76 with Water and Sewer Funds of 2.9 and 1.5, respectively.

The amount of debt incurred by the City remains below the State statutory limits as set forth in RSA 33:4-a for the City and School District, and RSA 33:5-a for the Water Fund. There is no statutory debt limit for the Sewer Fund. The State statutory limit for the City is 3% of Base valuation as determined by the New Hampshire Department of Revenue Administration (NH DRA), the statutory limit for the School District is 7% of Base valuation as determined by NH DRA, and the statutory limit for the Water Fund is 10% of base valuation as determined by NH DRA. As of June 30, 2009 the City had utilized 53.7% of its statutory debt limit, the School District utilized 14.7% of its statutory debt limit, and the Water Fund had utilized 3.9% of its statutory debt limit.

The City Council established self-imposed policy limits that are significantly lower than those set by State statute. As of June 30, 2009 the percent of the City's more conservative debt policy used was 76.1%, the School was 97.9%. General Fund net debt per capita is at \$2,361, an amount considered reasonable for a municipality the size of Dover. The General Fund's net debt to equalized value is 2.49%. The General Fund's net debt service as a percent of budget is 10.1%. Although this measure is higher than the 8% recommended by policy, it is partially as a result of a higher rate of debt pay down resulting in a favorable reduction in the cost for debt. Pay down of General Fund debt over the next 10 years is at 73.0%, above the 65% suggested by policy and is considered aggressive by credit agencies.

The Water and Sewer funds also remained within the City Council self-imposed policy limits with 77.7% and 24.4% used respectively. Water and Sewer debt represents 43.4% and 27.4% of the capital assets. Net debt service to budget in the Water Fund is 34.5% and 21.4% within the Sewer Fund, within the 40% set by policy.

In August of 1999 the City received a bond rating upgrade from Moody's Investor Services to Baa1. The City received a second upgrade to A3 in May 2001 and a third in June 2003 to A2. The City also received an upgrade to A2 from Moody's and a rating from Standard & Poor's of A+ in June 2003. Both ratings were sustained in June 2004. In June 2005 the City received dual rating upgrades to A1 from Moody's and AA- from Standard & Poor's. Both ratings were sustained in 2006 and reaffirmed in 2007. In 2008 Moody's reaffirmed the City's A1 rating and Standard & Poor's upgraded the City's rating to AA.

### **Policy Monitoring, Long Term Financial Planning, and Responding to the Impact of the U.S. Economic Decline**

In 1996 the City Council, through the recommendation of an Ad Hoc Financial Planning Committee, adopted a comprehensive set of twelve City Financial Policies. These 12 policies addressed 6 major financial goals: Maintenance of Fund Reserves, Capital Improvements Program, Debt Management, Cash Management, Management of Enterprise Funds, and Budget Management. The City Council identified that various operational, financial and economic conditions have changed over the course of the past fourteen years, and most recently the decline of the national and state economy, necessitated the need to review and update the financial policies to ensure continuing improvement and sustaining of the City's financial health over the long term. The City Council has created a new Ad Hoc Financial Planning Committee charged with reviewing the City's financial policies and identify necessary updates due to changing circumstances and allow for implementation of best practices affording the greatest opportunity for sustaining and improving upon the municipal corporation's financial position and overall well-being of the Dover community. The committee is required to complete their study and report their recommendations to the City Council by no later than October 6, 2010.

The City Council routinely adopts fiscal initiatives to respond to the changes in the economy that have resulted in impacts such as declines to non-property tax revenues and the community's tolerance for tax increases. The City Council has limited adoption of bonding authorizations to be consistent with the annual amount of debt being retired by the City's tax supported General Fund. The objective of this initiative is to move the City away from recurring debt financing and funding capital reserves at an appropriate level to move from debt financing certain capital outlay.

The City Manager, with the concurrence of the City Council, directed departments to reduce expenditures in FY2009 to counter-balance both expected revenue shortfalls and increases in certain costs, while ensuring that operations resulted in maintaining a General Fund balance that is consistent with the six percent policy limit.

The City Administration conducts an on-going evaluation of fiscal operations to insure that expenditures are managed in concert with revenues to insure General Fund Balance is maintained consistent with City policy limit of six percent.

The City recognizes the importance of a formal process for long term financial planning and forecasting. The City has procured a formal forecasting software application to aid in financial planning. The City has begun populating the software with necessary data and will utilize this tool to provide formal fiscal forecasting reports complete with national, regional, and local economic overviews, and a five-year projection of both General Fund operations and tax levy impacts.



## **Acknowledgements**

This report continues to refine the financial reporting of the City. It is the fifth year the City has produced a comprehensive annual financial report (CAFR). This report includes the implementation of Governmental Accounting Standards Board's Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. An actuarially determined liability of the City cost of medical benefits provided to retirees, and employees that will be eligible to receive such benefits upon retirement from the City, is incorporated into the financial statements and the footnotes.

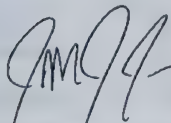
The Government Finance Officers Association of the United States and Canada (GFOA) awarded five consecutive Certificates of Achievement for Excellence in Financial Reporting to the City of Dover, NH for its Comprehensive Annual Financial Report beginning for the fiscal year ended June 30, 2004 through June 30, 2008. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

This recognizes the City's Finance Department's efforts for full disclosure of the financial information of the City. A CAFR is a much more detailed reporting of the City's finances, as well as providing historical information in the statistical section of this report.

The Certificate of Achievement is valid for a period of one year only. The City believes that the current CAFR continues to meet the Certificate of Achievement Programs' requirement and it will be submitted to the Government Finance Officer's Association to determine its eligibility for another certificate.

The publication of the CAFR requires many staff hours to accomplish and would not have been possible without the dedication of the entire staff of the Finance Department. Credit must also be given to the Mayor and City Council for their continued support of the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

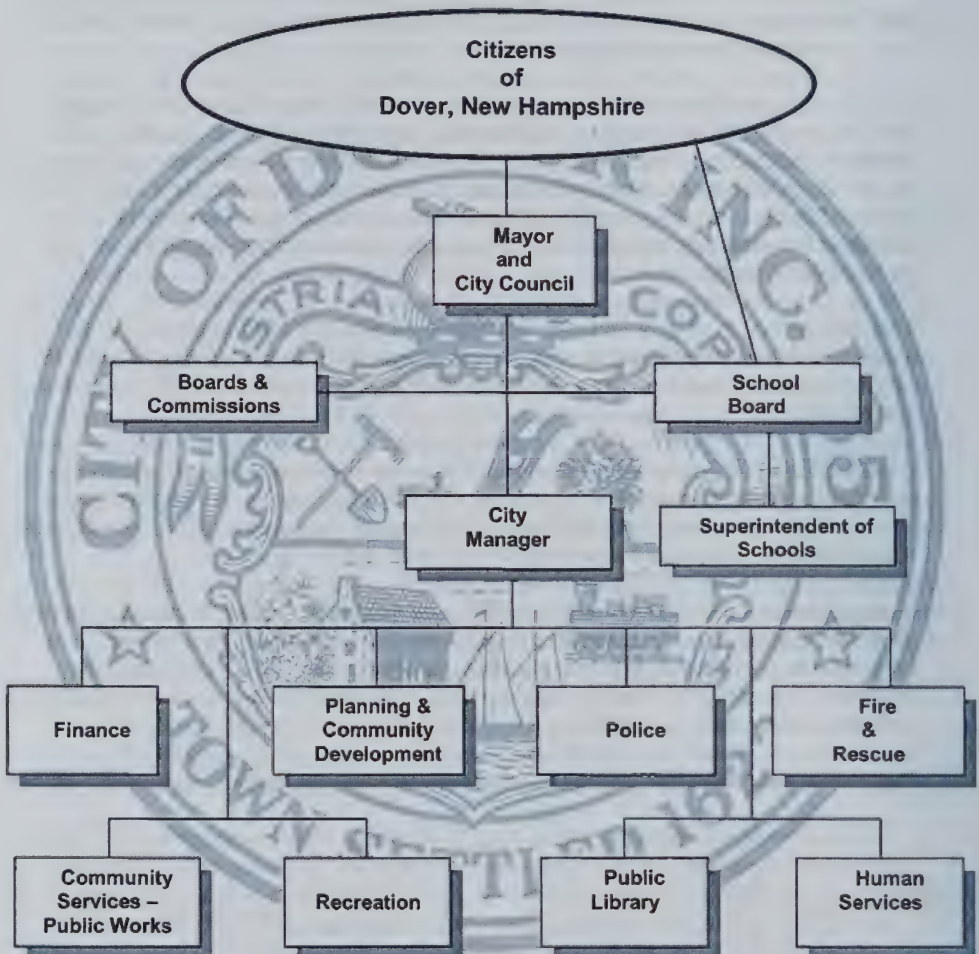


J. Michael Joyal, Jr.  
City Manager



Daniel R. Lynch  
Finance Director

# City of Dover Organizational Chart





# ***City of Dover***

## **New Hampshire**

**FISCAL YEAR 2009**

### **City Council Members**

Mayor: Scott Myers

Ward 1: Robert Carrier

Ward 2: Douglas Dede

Ward 3: David Scott

At Large: Karen Weston

Ward 4: Dean Trefethen

Ward 5: Catherine Cheney

Ward 6: Richard P. Callaghan

At Large: Steven McCusker

### **City Manager**

J. Michael Joyal, Jr.

### **City Departments**

Finance

Planning

Police

Fire and Rescue

Community Services

Recreation

Public Library

Human Services

Daniel R. Lynch

Christopher G. Parker

Anthony F. Colarusso, Jr.

Perry Plummer

Douglas W. Steele II

Gary Bannon

Cathy Beaudoin

Janet A. Poulin

### **School Board**

Ward 1: Beth Setear

Ward 2: Britt Ulinski Schuman

Ward 3: Carolyn J. Mebert

Ward 4: Dorothea Hooper

Ward 5: Audra Lurvey

Ward 6: Marjorie Fisher

At Large: Doris Grady

### **Superintendent of Schools**

Dr. John E. O'Connor



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dover  
New Hampshire

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

## FINANCIAL SECTION

## Independent Auditors' Report

To the Mayor and City Council  
City of Dover, New Hampshire

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, New Hampshire, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Dover's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dover, New Hampshire as of June 30, 2009, and the respective changes in financial position and, where applicable, cash flows, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, appearing on the following pages, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the City of Dover, New Hampshire's basic financial statements. The introductory section, supplementary statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



To the Mayor and City Council  
City of Dover, New Hampshire

In accordance with Government Auditing Standards, we have also issued our report dated February 26, 2010 on our consideration of the City of Dover's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

*Macdonald Page & Co LLC*

South Portland, Maine  
February 26, 2010

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the City of Dover, we offer readers this narrative overview and analysis of the financial activities of the City of Dover for the fiscal year ended June 30, 2009. We encourage readers to consider the information here in conjunction with additional information that we have furnished in our letter of transmittal.

### **A. FINANCIAL HIGHLIGHTS**

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$130,484,433 (i.e., net assets), an increase of \$4,585,403 in comparison to the prior year, as restated.
- As of the close of the current fiscal year, total of assets of governmental activities exceeded liabilities by \$71,832,213 (i.e., net assets), an increase of \$3,770,149 in comparison to the prior year, as restated.
- At the end of the current year, total assets of business-type activities exceeded their liabilities by \$58,652,220, an increase of \$815,254 in comparison to the prior year, as restated.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$24,380,838, an increase of \$453,921 in comparison with the prior year, as restated.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$5,114,311, a decrease of \$470,624 in comparison with the prior year.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$100,012,355, an increase of \$858,216 in comparison to the prior year.

### **B. OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City of Dover's basic financial statements. The basic financial statements comprise of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.



The statement of net assets presents information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The business-type activities include water, sewer, arena (transferred to the general fund during 2009), and Dover Business and Industrial Development Authority (DBIDA) activities.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Annual appropriated budgets are adopted for the general fund and certain nonmajor governmental funds. Budgetary comparison statements have been provided for both funds to demonstrate compliance with these budgets.

**Proprietary funds.** Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Specifically, enterprise funds are used to account for water, sewer, and DBIDA operations. The operations of the arena were previously accounted for as an enterprise fund. In FY 2009 the City dissolved the Arena Fund into the General Fund.

Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Internal service funds are used to account for central data processing, fleet management services, and workers compensation administration and claims, provided to other departments on the cost reimbursement basis.

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, and DBIDA operations, all of which are considered to be major funds. The operations of the arena were previously reported as a propriety fund. In FY 2009 the City dissolved the Arena Fund into the General Fund.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which is required to be disclosed by the *Governmental Accounting Standards Board*.



### C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$130,484,433, an increase of \$4,585,403 from the prior year, as restated.

**Financial Position.** The following is a summary of condensed government-wide financial data of net assets for the current and the prior fiscal years.

NET ASSETS						
Amounts presented in 000s						
	Governmental Activities		Business-Type Activities		Total	
	2008	2009	2008	2009	2008	2009
Current and Other Assets	\$ 35,120	\$ 34,531	\$ 16,694	\$ 18,639	\$ 51,814	\$ 53,170
Capital Assets	123,106	140,113	68,511	65,408	191,617	205,521
Total Assets	\$ 158,226	\$ 174,644	\$ 85,205	\$ 84,047	\$ 243,431	\$ 258,691
Long-term Liabilities	\$ 88,457	\$ 96,280	\$ 28,806	\$ 24,772	\$ 117,263	\$ 121,052
Other Liabilities	7,005	6,532	1,335	623	8,340	7,155
Total Liabilities	\$ 95,462	\$ 102,812	\$ 30,141	\$ 25,395	\$ 125,603	\$ 128,207
Net Assets:						
Invested in Capital Assets	\$ 60,503	\$ 76,018	\$ 51,472	\$ 46,561	\$ 111,975	\$ 122,579
Restricted	706	240	5,630	6,388	6,336	6,628
Unrestricted	1,555	(4,426)	(2,038)	5,703	(483)	1,277
Total Net Assets	\$ 62,764	\$ 71,832	\$ 55,064	\$ 58,652	\$ 117,828	\$ 130,484

By far, the largest portion of net assets, \$122,579,713 or 91.0 percent, reflects our investment in capital assets (e.g., land, buildings, machinery and equipment), less depreciation and any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net assets \$6,628,079 represents resources that are subject to external restrictions on how they may be used. The remaining net balance represents unrestricted net assets and at the end of the fiscal year is \$1,276,641.

The unrestricted net asset balance consists of a deficit of \$4,425,923 for governmental activities and a balance of \$5,702,564 for business-type activities. The governmental activities net assets include the reflection of major liabilities of the Tolend Road Landfill mitigation of \$6,602,607, compensated absences of \$2,999,185, other post employment benefits (OPEB) of \$10,025,675, and the impact of absorbing the Arena Enterprise Fund deficit into the General Fund.

The \$6,602,607 for Tolend Road Landfill mitigation represents the mitigation costs and the post mitigation maintenance and monitoring costs. This is an increase of \$338,641 from the prior year. The increase relates to unspent bond proceeds, previously recognized as a reduction in the liability. In FY 2009 the City has financed \$3,900,000 of the remaining landfill liability through long-term debt which is included in the Tolend Road Landfill Closure Fund fund balance of \$4,243,916, as of June 30, 2009. The City anticipates the remaining liability for mitigation costs to be financed with long-term debt which is included in the City's six year Capital Improvements Program. The maintenance and monitoring costs are expected to be financed within the annual operating budget, as needed.

The \$2,999,185 for compensated absences represents the accrued employee leave benefits, payable as taken or at termination. This is a decrease of \$146,180 from the prior year. The City has funded \$580,348 of the liability.

The \$10,025,675 OPEB liability represents the implementation of Governmental Accounting Standards Board (GASB) Statement No. 45. The purpose of the statement is to reflect the liability of health care or other post employment benefits provided to separated or retired employees. The portion of the liability reflected in the Financial Statements is the initial four years of a 30 year amortization of the total liability. City employees hired before specific dates may receive all or part of their health care benefits paid for by the City. City employees hired after the cut-off date are eligible on a self pay basis only but impact the premiums of the health plans of all City employees. School employees are self pay basis only but impact the premiums of the health plans of all School employees. The table below shows the number of eligible individuals involved in the calculation for both the City and School and the average total liability.

<b>Group</b>	<b>Eligible Employees and Retirees</b>	<b>Average Total Liability per Person</b>
City	302	\$134,080
School	419	5,197
Combined	721	\$ 139,277

Please refer to the Financial Statement footnote 18 and Required Supplemental Information for more on the OPEB liability.

**Financial Results.** The following is a summary of condensed government-wide financial data of changes in net assets for the current fiscal and prior fiscal years.

CHANGE IN NET ASSETS						
Amounts presented in 000s						
	Governmental Activities		Business-Type Activities		Total	
	2008	2009	2008	2009	2008	2009
Revenues:						
Program revenues:						
Charges for services	\$ 20,324	\$ 20,219	\$ 9,847	\$ 8,176	\$ 30,171	\$ 28,395
Operating grants and contributions	6,582	9,279	-	-	6,582	9,279
Capital grants and contributions	1,027	2,994	241	424	1,268	3,418
General revenues:						
Property taxes	55,835	58,490	-	-	55,835	58,490
Motor vehicle registration	3,803	3,692	-	-	3,803	3,692
Penalties and interest on taxes	25	8	-	-	25	8
Investment income	1,110	17	106	40	1,216	57
Other	209	494	-	-	209	494
Loss on sale of capital asset	-	-	-	-	-	-
Extraordinary item	-	-	-	-	-	-
Total Revenues	88,915	95,193	10,194	8,640	99,109	103,833
Expenses:						
General government	10,848	9,949	-	-	10,848	9,949
Public safety	14,091	16,154	-	-	14,091	16,154
Public works	8,290	10,622	-	-	8,290	10,622
Culture and recreation	3,468	3,670	-	-	3,468	3,670
Education	45,032	45,930	-	-	45,032	45,930
Human services	1,100	740	-	-	1,100	740
Intergovernmental	-	-	-	-	-	-
Interest on long-term debt	3,099	3,131	1,365	1,142	4,464	4,273
Miscellaneous	-	-	-	-	-	-
Water operations (1)	-	-	2,908	2,886	2,908	2,886
Sewer operations (1)	-	-	4,448	4,937	4,448	4,937
Arena operations (1)	-	-	1,291	39	1,291	39
DBIDA operations	-	-	-	48	-	48
Total Expenses	85,928	90,196	10,012	9,052	95,940	99,248
Change in Net Assets before Transfers	2,987	4,997	182	(412)	3,169	4,585
Transfers in (out)	-	(1,227)	-	1,227	-	-
Change in Net Assets	2,987	3,770	182	815	3,169	4,585
Net Assets - beginning of year (2)	59,777	68,062	54,882	57,837	114,659	125,899
Net Assets - end of year	\$ 62,764	\$ 71,832	\$ 55,064	\$ 58,652	\$ 117,828	\$ 130,484

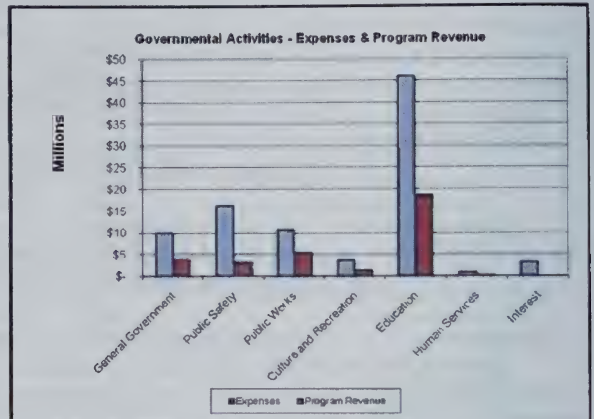
(1) Excludes interest on long-term debt reflected separately.

(2) Net Assets - beginning of year, as restated for 2009.



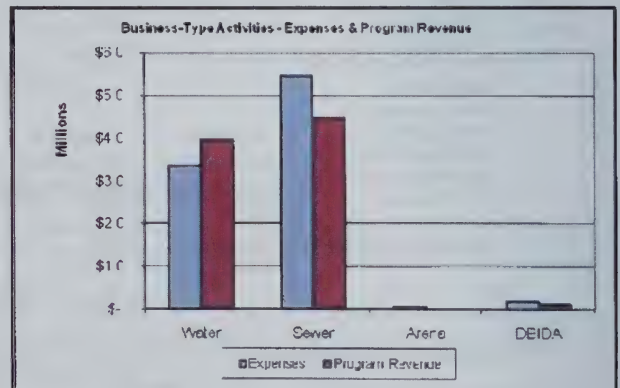
**Governmental activities.** Governmental activities for the year resulted in an increase in net assets of \$3,770,149. Governmental activities realized the following significant transactions:

- General Fund excess of revenues over expenditures of \$1,777,549.
- Arena Fund absorbed into the General Fund.
- Capital Grants and Contributions revenue used to acquire capital assets of \$2,993,635.
- Debt service principal payments in excess of depreciation expense of \$1,258,531.



**Business-Type Activities.** Business-type activities for the year resulted in an increase in net assets of \$815,254 or 1.4%. Key elements of this change are as follows:

- The Water Fund increased net assets by \$643,657 or 3.6%. This consists mainly of debt service principal payments in excess of depreciation expense of \$234,438.
- The Sewer Fund had a decrease in net assets of \$969,111 or 2.4%. This consists mainly of depreciation expense exceeding debt service principal payments by \$1,723,365; and Capital Grants increase of \$239,144 from State of New Hampshire for Varney Brook Pump Station project.



- The Arena Fund deficit was absorbed into the General Fund in FY 2009.

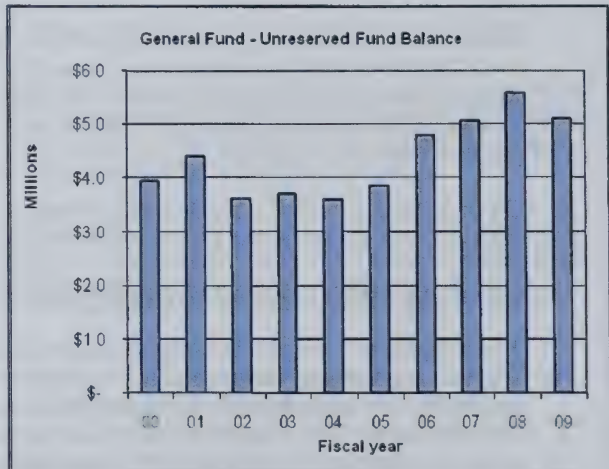
## D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$24,380,838, an increase of \$453,921 in comparison with the prior year. The General Fund change consists of a decrease in the unreserved fund balance of \$470,624 and a decrease in reserved balances of \$1,639,056. Most of this decrease was attributable to the Arena Enterprise Fund deficit of \$2.4 million being absorbed into the General Fund.

The general fund is the chief operating fund. At the end of the current fiscal year, unreserved fund balance of the general fund was \$5,114,311, while total fund balance was \$7,423,324. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 6.37 percent of total general fund expenditures, while total fund balance represents 9.24 percent of that same amount.



The unreserved fund balance of the general fund decreased by \$470,624, or 8.4%, during the current fiscal year. Key factors in this change are as follows:

- A net decrease to fund balance of \$886,118 from deficiency of financing sources over expenditure budget estimates, consisting of \$812,398 of revenues under budget estimates and \$73,720 of expenditures in excess of budget estimates. Due to current economic conditions and lower interest rates, revenue shortfalls consist mainly of \$278,418 in motor vehicle registration fees, \$168,874 in sales and service charges, and 471,513 in

investment income revenue. Unencumbered appropriations consisted mainly of \$161,476 for General Government, \$289,364 for Public Works, \$153,218 for Culture and Recreation, and \$86,220 for Debt Service Interest. The School Department unencumbered appropriations of \$319,076 offset a shortfall of \$255,784 in education revenue, due mainly to a loss in Tuition revenue. Transfers Out exceeded budget estimates for \$1,148,866 due to the Arena Fund being absorbed into the General Fund.

- A decrease to fund balance of \$172,193 for deferred property tax revenue.
- A decrease to fund balance of \$206,991 for the increase in the reserve for advances to the McConnell Center Fund.
- A decrease to fund balance of \$262,421 for carryover appropriations reserved for future years capital outlay.

**Proprietary funds.** Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net assets of the enterprise funds at the end of the year amounted to \$5,702,564. This amount consists of the Water Fund of \$1,147,628, the Sewer Fund of \$5,185,589, and the Dover Business and Industrial Development Fund (DBIDA) deficit of \$630,653. The Arena Fund deficit was absorbed into the General Fund in FY 2009.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

## **E. GENERAL FUND BUDGETARY HIGHLIGHTS**

The differences between the original budget and the final amended budget resulted in an overall increase in appropriations of \$1,619,173. The major reason for this amendment was to budget the operations of the Arena within the General Fund. This supplemental appropriation was funded from \$1,588,909 in sales and service charges and \$30,264 in facility rental fees.



## F. CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital assets.** Capital assets for governmental and business-type activities at year-end amounted to \$205,521,380 (net of accumulated depreciation), an increase of approximately \$13,903,965 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment. The following yearly comparison shows net fixed assets by category:

### Capital Assets (000s) (net of depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2008	2009	2008	2009	2008	2009
Land	\$ 13,668	\$ 13,919	\$ 2,037	\$ 1,786	\$ 15,705	\$ 15,705
Buildings and improvements	54,794	61,917	23,462	21,264	78,256	83,181
Machinery and equipment	9,042	10,018	4,450	4,198	13,492	14,216
Infrastructure	16,253	25,756	34,048	35,942	50,301	61,698
Construction in Progress	29,349	28,503	4,514	2,218	33,863	30,721
Total Assets	\$ 123,106	\$ 140,113	\$ 68,511	\$ 65,408	\$ 191,617	\$ 205,521

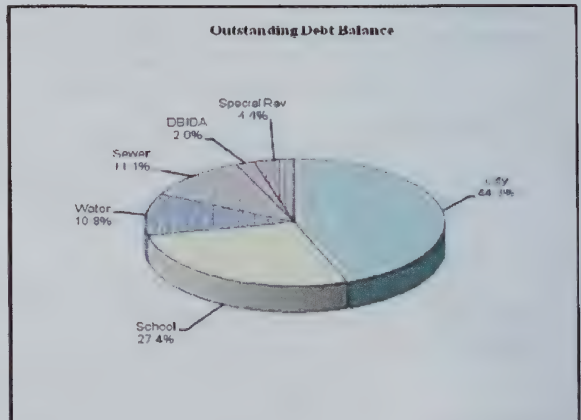
Major capital asset events during the current fiscal year included the following:

- The increase to Building and improvements of the governmental activities relates mainly to School improvements of \$1,992,508 and \$2,907,859 for construction of the Liberty North End Fire Station. These additions were offset by depreciation on older buildings and improvements.
- There were additions to Machinery and Equipment of the governmental activities of \$1,266,058 for the acquisition of Fire & Rescue Ladder Truck and Pumper apparatus. These additions were offset by depreciation on older equipment.
- The governmental activities infrastructure change includes an addition of \$3,399,681 in general street and sidewalk improvement projects, \$2,207,593 for improvements to Sixth Street and Indian Brook Drive. These additions were offset by depreciation on older infrastructure. In fiscal year 2009 the City recorded \$5,359,568 (net of depreciation) in donated roadways accepted by the City during the period of fiscal year 2000 through fiscal year 2009.
- The governmental activities construction in progress relates mainly to \$9,118,225 for the Tolend Road Landfill hazardous landfill mitigation project, \$3,460,151 for the Cochecho River Dredge Cell project, \$8,224,552 for Woodman Park School improvements, \$1,777,244 for Washington Street – Cochecho River Bridge, \$1,093,967 for Route 108 and Longhill Road Sidewalk and Signalization improvements, and \$1,596,431 for street reconstruction projects.

- There were additions to Building and Improvements of the business-type activities for \$2,539,829 for Bouchard Well and Treatment Facility.
- There were additions to business-type activities infrastructure improvements of \$2,773,256 (net of depreciation) related to recording water and sewer infrastructure within donated roadways accepted by the City during the period of fiscal year 2000 through fiscal year 2009.
- There was \$2,197,866 of business-type activities construction in progress at the end of the year mainly related to the Water Fund of \$1,830,434 in the Water Meter replacements project.
- The transfer of the Arena Enterprise Fund into the General Fund resulted in the following capital assets (net of depreciation) being transferred from business-type activities to governmental activities:
  - Land of \$251,890, Buildings and improvements of \$3,649,343, and machinery and equipment of \$170,494.

Additional information on capital assets can be found in Note 9 of the Financial Statements.

**Long-term debt.** At the end of the current fiscal year, total long-term debt outstanding was \$100,012,355, a net increase of \$858,216 over the previous fiscal year end. All the long term debt was backed by the full faith and credit of the City except for the balance of an FY06 Dover Business and Industrial Development Authority flow through loan to a private firm from the New Hampshire Business Finance Authority of \$1,823,436.



### Long-term Debt (000s)

	Governmental Activities		Business-Type Activities		Totals	
	2008	2009	2008	2009	2008	2009
General Obligation Bonds	\$ 70,599	\$ 75,714	\$ 28,047	\$ 23,874	\$ 98,646	\$ 99,588
Other Long Term Debt	508	424	-	-	508	424
Total Long-term Debt	\$ 71,107	\$ 76,138	\$ 28,047	\$ 23,874	\$ 99,154	\$ 100,012

During fiscal year 2009, the City issued \$9,970,000 in general obligation serial bonds; \$8,545,000 related to governmental activities and \$1,425,000 related to business-type activities. The City bonds were insured by Financial Security Assurance and were rated Aaa by Moody's Investors Service and AAA by Standard & Poor's. The underlying credit rating of the City was an A1 rating from Moody's Investors Service and an AA from Standard & Poor's. Competitive bids were solicited and the City received 9 bids on November 12, 2008. Morgan Keegan & Co. was awarded the bid at a true interest cost of 4.094 percent. The bonds were dated December 15, 2008 and mature December 15, 2028. Bonds dated on or after December 15, 2019 may be redeemed prior to the maturity date at the option of the City.

Additional information on long term debt can be found in Note 13 of the Financial Statements.

### **G. NEXT YEAR'S BUDGETS AND RATES**

The budget, tax levies and tax rates of the General Fund for the subsequent fiscal year have been formalized. The following table reflects the budget amounts, at the time of tax rate setting, for each year for the General Fund.

<b>General Fund Budget</b>	<b>FY09</b>	<b>FY10</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
City	30,197,403	31,927,541	1,730,138	5.7%
School	42,978,335	44,633,221	1,654,886	3.9%
County	6,772,323	7,030,640	258,317	3.8%
Total Budget	79,948,061	83,591,402	3,643,341	4.6%

The following table reflects the property tax levy amounts for each year.

<b>Property Tax Levies</b>	<b>FY09</b>	<b>FY10</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
City	20,343,274	21,429,921	1,086,647	5.3%
School - Local	24,296,444	24,640,583	344,139	1.4%
School - State	6,292,003	6,431,633	139,630	2.2%
Total School	30,588,447	31,072,216	483,769	1.6%
County	6,722,271	7,030,640	308,369	4.6%
Total Tax Levy	57,653,992	59,532,777	1,878,785	3.3%



The following table reflects the property tax rates for each year. The tax rate is stated per \$1,000 of assessed value.

<b>Property Tax Rates</b>	<b>FY09</b>	<b>FY10</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
City	7.57	8.55	0.98	12.9%
School - Local	8.79	9.54	0.75	8.5%
School - State	2.31	2.52	0.21	9.1%
Total School	11.10	12.06	0.96	8.6%
County	2.43	2.72	0.29	11.9%
Total Tax Rate	21.10	23.33	2.23	10.6%

The budget and user fees of the utility funds for the subsequent fiscal year have been formalized. The following table reflects the original adopted budget amounts for each year for the Water and Sewer Funds.

<b>Utility Funds</b>	<b>FY09</b>	<b>FY10</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
Water Fund	4,158,670	4,162,633	3,963	0.1%
Sewer Fund	5,575,072	5,750,387	175,315	3.1%
Total Utility Funds	9,733,742	9,913,020	179,278	1.8%

The following table reflects the utility rates per one hundred cubic feet (HCF) of water consumption for each year. (1 HCF = 748 gallons)

<b>Utility Rates</b>	<b>FY09</b>	<b>FY10</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
Water Fund	3.75	3.78	0.03	0.8%
Sewer Fund	4.51	4.74	0.23	5.1%
Combined Rates	8.26	8.52	0.26	3.1%

Discussions of other financial and economic factors are included in the Transmittal Letter.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Dover's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance Director, City of Dover  
Municipal Building  
288 Central Avenue  
Dover, New Hampshire 03820

The City of Dover's web site contains additional financial information at:

[www.ci.dover.nh.us](http://www.ci.dover.nh.us)

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**Statement of Net Assets**

June 30, 2009

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current:			
Cash and short-term investments	\$ 31,896,150	\$ 4,708,899	\$ 36,605,049
Investments	1,690,153		1,690,153
Receivables, net of allowance for uncollectibles:			
Property taxes	2,984,316		2,984,316
User fees		2,096,522	2,096,522
Departmental and other	661,093		661,093
Intergovernmental	2,683,385	923,249	3,606,634
Internal balances	(5,896,012)	5,896,012	
Inventory	94,244	365,372	459,616
Other assets	17,009		17,009
Total current assets	<u>34,130,338</u>	<u>14,052,301</u>	<u>48,182,639</u>
Noncurrent:			
Receivables, net of allowance for uncollectibles:			
Intergovernmental		1,368,557	1,368,557
Loans	400,660		400,660
Investment in land		1,256,731	1,256,731
Capital lease receivable		1,961,154	1,961,154
Capital assets:			
Land and construction in progress	42,422,467	4,004,557	46,427,024
Other capital assets, net of accumulated depreciation	97,690,504	61,403,852	159,094,356
Total non-current assets	<u>140,513,631</u>	<u>69,994,851</u>	<u>210,508,482</u>
<b>Total Assets</b>	<b>\$ <u>174,643,969</u></b>	<b>\$ <u>84,047,152</u></b>	<b>\$ <u>258,691,121</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Liabilities</b>			
Current:			
Accounts payable	\$ 1,462,943	\$ 270,946	\$ 1,733,889
Accrued liabilities	2,962,218	185,024	3,147,242
Retainage payable	151,606	73,490	225,096
Due to fiduciary funds	1,681,930		1,681,930
Unearned revenue		93,887	93,887
Other current liabilities	273,212		273,212
Current portion of long-term liabilities:			
Claims liability	249,444		249,444
Bonds and loans payable	6,645,849	2,783,340	9,429,189
Compensated absences	147,754	138,911	286,665
Total current liabilities	<u>13,574,956</u>	<u>3,545,598</u>	<u>17,120,554</u>
Noncurrent:			
Claims liability, net of current portion	265,016		265,016
Bonds and loans payable, net of current portion	69,492,071	21,091,096	90,583,167
Compensated absences, net of current portion	2,851,431		2,851,431
OPEB liability	10,025,675	758,238	10,783,913
Liability for hazardous waste-site cleanup	6,602,607		6,602,607
Total non-current liabilities	<u>89,236,800</u>	<u>21,849,334</u>	<u>111,086,134</u>
<b>Total Liabilities</b>	<b><u>102,811,756</u></b>	<b><u>25,394,932</u></b>	<b><u>128,206,688</u></b>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	76,018,355	46,561,358	122,579,713
Restricted for:			
Debt service		1,823,435	1,823,435
Capital projects	239,781	4,564,863	4,804,644
Unrestricted (Deficit)	(4,425,923)	5,702,564	1,276,641
<b>Total Net Assets</b>	<b><u>71,832,213</u></b>	<b><u>58,652,220</u></b>	<b><u>130,484,433</u></b>
<b>Total Liabilities and Net Assets</b>	<b>\$ <u>174,643,969</u></b>	<b>\$ <u>84,047,152</u></b>	<b>\$ <u>258,691,121</u></b>

**Statement of Activities****For the Year Ended June 30, 2009**

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General government	\$ 9,949,691	\$ 916,590	\$ 3,047,418	
Public safety	16,154,098	1,794,657	1,347,145	
Public works	10,621,805	1,253,462	1,247,156	\$ 2,945,578
Culture and recreation	3,669,804	1,242,867	19,745	
Education	45,929,648	14,929,866	3,593,924	
Human services	740,125	82,006	24,090	48,057
Interest	3,131,043			
Total Governmental Activities	90,196,214	20,219,448	9,279,478	2,993,635
<b>Business-Type Activities:</b>				
Water services	3,362,625	3,986,112		
Sewer services	5,472,366	4,060,736		424,092
Arena services	39,516			
DBIDA services	177,886	129,235		
Total Business-Type Activities	9,052,393	8,176,083		424,092
Total	\$ 99,248,607	\$ 28,395,531	\$ 9,279,478	\$ 3,417,727

**General Revenues:**

Property tax

Motor vehicle registration tax

Penalties and interest

Unrestricted investment earnings

Other revenue

Transfers in (out)

**Total general revenues****Change in Net Assets****Net Assets:**

Beginning of year, as restated

End of year

<u>Net (Expenses) Revenues and Changes in Net Assets</u>		
Governmental	Business-	
Activities	Type	Total
Activities	Activities	
\$ (5,985,683)		\$ (5,985,683)
(13,012,296)		(13,012,296)
(5,175,609)		(5,175,609)
(2,407,192)		(2,407,192)
(27,405,858)		(27,405,858)
(585,972)		(585,972)
<u>(3,131,043)</u>		<u>(3,131,043)</u>
<u>(57,703,653)</u>		<u>(57,703,653)</u>
	\$ 623,487	623,487
	(987,538)	(987,538)
	(39,516)	(39,516)
	<u>(48,651)</u>	<u>(48,651)</u>
	<u>(452,218)</u>	<u>(452,218)</u>
<u>(57,703,653)</u>	<u>(452,218)</u>	<u>(58,155,871)</u>
58,489,588		58,489,588
3,692,119		3,692,119
8,354		8,354
16,804	40,213	57,017
494,196		494,196
<u>(1,227,259)</u>	<u>1,227,259</u>	
<u>61,473,802</u>	<u>1,267,472</u>	<u>62,741,274</u>
3,770,149	815,254	4,585,403
<u>68,062,064</u>	<u>57,836,966</u>	<u>125,899,030</u>
<u>\$ 71,832,213</u>	<u>\$ 58,652,220</u>	<u>\$ 130,484,433</u>



**Governmental Funds****Balance Sheet**

June 30, 2009

	General	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and short-term investments	\$ 29,293,490	\$ 2,564,863	\$ 31,858,353
Investments		1,727,950	1,727,950
Receivables, net of allowance for uncollectibles:			
Taxes	2,984,316		2,984,316
Departmental and other	403,389	388,576	791,965
Intergovernmental	348,862	2,148,136	2,496,998
Loans		400,660	400,660
Due from other funds		15,997,430	15,997,430
Advances to other funds	640,141		640,141
Inventory	2,931	49,850	52,781
Other assets	15,099		15,099
Total Assets	<u>\$ 33,688,228</u>	<u>\$ 23,277,465</u>	<u>\$ 56,965,693</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 531,521	\$ 888,576	\$ 1,420,097
Accrued liabilities	2,612,297	46,495	2,658,792
Retainage payable	11,646	139,961	151,607
Deferred revenues	1,946,578	400,887	2,347,465
Due to other funds	20,847,884	4,129,641	24,977,525
Advances from other fund		640,141	640,141
Compensated absences	41,766	74,250	116,016
Other liabilities	273,212		273,212
Total Liabilities	<u>26,264,904</u>	<u>6,319,951</u>	<u>32,584,855</u>
Fund Balances:			
Reserved for:			
Encumbrances	856,381	5,791,298	6,647,679
Inventory		49,850	49,850
Expenditures		73,003	73,003
Advances	640,141		640,141
Other specific purposes	812,491		812,491
Unreserved:			
Undesignated, reported in:			
General fund	5,114,311		5,114,311
Special revenue funds		4,727,590	4,727,590
Capital project funds		6,315,773	6,315,773
Total Fund Balances	<u>7,423,324</u>	<u>16,957,514</u>	<u>24,380,838</u>
Total Liabilities and Fund Balances	<u>\$ 33,688,228</u>	<u>\$ 23,277,465</u>	<u>\$ 56,965,693</u>

## Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities in the Statement of Net Assets

June 30, 2009

<b>Total governmental fund balances</b>	<b>\$ 24,380,838</b>
<ul style="list-style-type: none"> <li>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</li> </ul>	140,112,971
<ul style="list-style-type: none"> <li>Revenues are reported on the accrual basis of accounting and are not deferred until collection.</li> </ul>	2,347,465
<ul style="list-style-type: none"> <li>Internal service funds are used by management to account for Dover Net, Central Stores, fleet maintenance and workers' compensation activities. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets.</li> </ul>	898,994
<ul style="list-style-type: none"> <li>In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.</li> </ul>	(290,422)
<ul style="list-style-type: none"> <li>Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds:</li> </ul>	
Bonds payable	(76,137,920)
Compensated absences	(2,851,431)
Liability for hazardous waste-site cleanup	(6,602,607)
OPEB liability	<u>(10,025,675)</u>
<b>Net assets of governmental activities</b>	<b>\$ <u>71,832,213</u></b>

**Governmental Funds****Statement of Revenues, Expenditures and Changes  
in Fund Balances****For the Year Ended June 30, 2009**

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
Taxes	\$ 58,047,052	\$ 229,055	\$ 58,276,107
Licenses and permits	4,159,499	188,206	4,347,705
Intergovernmental	3,762,458	7,015,797	10,778,255
Current services	2,702,644	4,389,415	7,092,059
Education	12,700,692		12,700,692
Miscellaneous	702,508	1,536,412	2,238,920
Total Revenues	<u>82,074,853</u>	<u>13,358,885</u>	<u>95,433,738</u>
<b>Expenditures:</b>			
Current:			
General government	3,870,728	100,683	3,971,411
Public safety	12,444,070	4,827,174	17,271,244
Public works	4,846,815	7,144,581	11,991,396
Culture and recreation	3,256,539	770,787	4,027,326
Education	39,029,285	8,350,792	47,380,077
Human services	687,415	442,008	1,129,423
Intergovernmental	6,772,323		6,772,323
Debt service	9,390,129	403,856	9,793,985
Total Expenditures	<u>80,297,304</u>	<u>22,039,881</u>	<u>102,337,185</u>
Revenues over (under) expenditures	<u>1,777,549</u>	<u>(8,680,996)</u>	<u>(6,903,447)</u>
<b>Other Financing Sources (Uses):</b>			
Bond proceeds		8,545,000	8,545,000
Transfers in		1,498,009	1,498,009
Transfers out	(2,685,641)		(2,685,641)
Total Other Financing Sources (Uses)	<u>(2,685,641)</u>	<u>10,043,009</u>	<u>7,357,368</u>
Net change in fund balances	(908,092)	1,362,013	453,921
Fund Balances, at Beginning of Year, as Restated	<u>8,331,416</u>	<u>15,595,501</u>	<u>23,926,917</u>
Fund Balances, at End of Year	<u>\$ 7,423,324</u>	<u>\$ 16,957,514</u>	<u>\$ 24,380,838</u>



## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2009

<b>Net Changes in Fund Balances - Total Governmental Funds</b>	<b>\$ 453,921</b>
<ul style="list-style-type: none"> <li>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: <ul style="list-style-type: none"> <li>Capital outlay purchases 13,032,244</li> <li>Depreciation (5,387,318)</li> </ul> </li> <li>Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., property taxes) differ between the two statements. This amount represents the net change in deferred revenue. 220,222</li> <li>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets: <ul style="list-style-type: none"> <li>Proceeds from debt net of repayments (2,216,556)</li> </ul> </li> <li>In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. 140,622</li> <li>Some expenses reported in the Statement of Activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds: <ul style="list-style-type: none"> <li>Decrease in liability for compensated absences 146,180</li> <li>Increase in liability for hazardous waste-site cleanup (338,641)</li> <li>Increase in OPEB liability (2,632,568)</li> </ul> </li> <li>Internal service funds are used by management to account for Dover Net, Central Stores, fleet maintenance and workers' compensation activities. The net activity of internal service funds is reported with Governmental Activities. 352,043</li> </ul>	
<b>Changes in Net Assets of Governmental Activities</b>	<b>\$ <u>3,770,149</u></b>

# Statement of Revenues and Other Financing Sources, and Expenditures and Other Financing Uses - Budget and Actual - General Fund

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues and Other Sources:</b>				
Taxes	\$ 57,936,912	\$ 57,936,912	\$ 58,220,155	\$ 283,243
Licenses and permits	4,467,223	4,467,223	4,158,874	(308,349)
Intergovernmental	2,593,375	2,593,375	2,826,652	233,277
Current services	1,385,535	2,974,444	2,660,543	(313,901)
Education	12,389,888	12,389,888	12,134,104	(255,784)
Miscellaneous	1,125,128	1,155,392	754,508	(400,884)
Other financing sources	50,000	50,000		(50,000)
Total Revenues and Other Sources	<u>79,948,061</u>	<u>81,567,234</u>	<u>80,754,836</u>	<u>(812,398)</u>
<b>Expenditures and Other Uses:</b>				
General Government				
City Council	169,096	169,096	155,774	13,322
Executive	979,026	979,026	969,186	9,840
Finance	1,167,001	1,167,001	1,144,185	22,816
Planning	445,954	475,954	471,697	4,257
Miscellaneous general government	849,357	849,357	738,115	111,242
Total General Government	<u>3,610,434</u>	<u>3,640,434</u>	<u>3,478,957</u>	<u>161,477</u>
Public Safety				
Police	6,422,037	6,293,037	6,239,961	53,076
Fire	6,228,171	6,307,171	6,303,903	3,268
Total Public Safety	<u>12,650,208</u>	<u>12,600,208</u>	<u>12,543,864</u>	<u>56,344</u>
Community Services - Public Works	<u>5,322,246</u>	<u>5,372,195</u>	<u>5,089,831</u>	<u>282,364</u>
Culture and Recreation				
Recreation	1,310,221	2,964,394	2,813,673	150,721
Public Library	1,074,129	1,074,129	1,071,632	2,497
Total Culture and Recreation	<u>2,384,350</u>	<u>4,038,523</u>	<u>3,885,305</u>	<u>153,218</u>
Human Services	<u>717,702</u>	<u>717,702</u>	<u>701,255</u>	<u>16,447</u>
Education	<u>39,216,997</u>	<u>39,216,997</u>	<u>38,897,921</u>	<u>319,076</u>
Debt Service				
Principal	5,858,704	5,858,704	5,858,704	
Interest	3,250,148	3,250,148	3,163,928	86,220
Total Debt Service	<u>9,108,852</u>	<u>9,108,852</u>	<u>9,022,632</u>	<u>86,220</u>
Intergovernmental	<u>6,837,272</u>	<u>6,772,323</u>	<u>6,772,323</u>	<u>-</u>
Transfers	<u>100,000</u>	<u>100,000</u>	<u>1,248,866</u>	<u>(1,148,866)</u>
Total Expenditures and Other Uses	<u>79,948,061</u>	<u>81,567,234</u>	<u>81,640,954</u>	<u>(73,720)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (886,118)</u>	<u>\$ (886,118)</u>

## Proprietary Funds

## Statement of Net Assets

June 30, 2009

	Business-Type Activities Enterprise Funds					Governmental Activities
	Water Fund	Sewer Fund	Arena Fund	DBIDA Fund	Total	Internal Service Funds
<b>ASSETS</b>						
Current						
Cash and short-term investments	\$ 2,368,555	\$ 2,333,916		\$ 6,428	\$ 4,708,899	
User fees, net of allowance for uncollectibles						
Billed	515,793	563,086			1,078,879	
Unbilled	530,459	487,184			1,017,643	
Departmental and other receivables						\$ 55,514
Intergovernmental receivables		923,249			923,249	
Capital lease receivable				62,247	62,247	
Due from other funds	1,598,034	4,404,509			6,002,543	1,402,155
Prepaid expenses						1,910
Inventory	300,663	64,709			365,372	41,483
Total current assets	<u>5,313,504</u>	<u>8,776,653</u>	<u>-</u>	<u>68,675</u>	<u>14,158,832</u>	<u>1,501,042</u>
Noncurrent:						
Investment in land				1,256,731	1,256,731	
Intergovernmental receivable		1,368,557			1,368,557	
Capital lease receivable				1,961,154	1,961,154	
Capital assets:						
Land and construction in progress	2,633,713	1,350,265		20,579	4,004,557	
Other capital assets, net of accumulated depreciation	<u>22,158,738</u>	<u>39,245,114</u>	<u>-</u>	<u>-</u>	<u>61,403,852</u>	<u>-</u>
Total noncurrent assets	<u>24,792,451</u>	<u>41,963,936</u>	<u>-</u>	<u>3,238,464</u>	<u>69,994,851</u>	<u>-</u>
<b>Total Assets</b>	<u>30,105,955</u>	<u>50,740,589</u>	<u>-</u>	<u>3,307,139</u>	<u>84,153,683</u>	<u>1,501,042</u>
<b>LIABILITIES</b>						
Current:						
Accounts payable	54,129	215,200		1,617	270,946	42,864
Accrued liabilities	44,470	133,196		7,358	185,024	12,986
Retainage payable	51,781	21,709			73,490	
Unearned revenue		84,010		9,877	93,887	
Due to other funds				106,531	106,531	
Current portion of long-term liabilities:						
Claims liability						249,444
Bonds payable	985,000	1,660,000		138,340	2,783,340	
Compensated absences	<u>53,144</u>	<u>80,229</u>	<u>-</u>	<u>5,538</u>	<u>138,911</u>	<u>31,738</u>
Total current liabilities	<u>1,188,524</u>	<u>2,194,344</u>	<u>-</u>	<u>269,261</u>	<u>3,652,129</u>	<u>337,032</u>
Noncurrent:						
Claims liability, net of current portion						265,016
Bonds payable, net of current portion	9,778,000	9,468,000		1,845,096	21,091,096	
OPEB liability	<u>480,528</u>	<u>277,710</u>	<u>-</u>	<u>-</u>	<u>758,238</u>	<u>-</u>
Total noncurrent liabilities	<u>10,258,528</u>	<u>9,745,710</u>	<u>-</u>	<u>1,845,096</u>	<u>21,849,334</u>	<u>265,016</u>
<b>Total Liabilities</b>	<u>11,447,052</u>	<u>11,940,054</u>	<u>-</u>	<u>2,114,357</u>	<u>25,501,463</u>	<u>602,048</u>
<b>NET ASSETS</b>						
Invested in capital assets, net of related debt	15,203,958	31,357,400			46,561,358	
Restricted for debt service				1,823,435	1,823,435	
Restricted for capital outlay	2,307,317	2,257,546			4,564,863	239,781
Unrestricted	<u>1,147,628</u>	<u>5,185,589</u>	<u>-</u>	<u>(630,653)</u>	<u>5,702,564</u>	<u>659,213</u>
<b>Total Net Assets</b>	<u>\$ 18,658,903</u>	<u>\$ 38,800,535</u>	<u>\$ -</u>	<u>\$ 1,192,782</u>	<u>\$ 58,652,220</u>	<u>\$ 898,994</u>



**Proprietary Funds****Statement of Revenues, Expenses and Changes in Fund Net Assets**

For the Year Ended June 30, 2009

	Business-Type Activities Enterprise Funds				Total	Governmental Activities Internal Service Funds
	Water Fund	Sewer Fund	Arena Fund	DBIDA Fund		
<b>Operating Revenues:</b>						
Charges for services	\$ 3,876,794	\$ 3,853,081			\$ 7,729,875	\$ 1,303,847
Investment fees	71,399	166,549			237,948	
Other revenue	37,919	41,106		\$ 129,235	208,260	327,015
Total Operating Revenues	<u>3,986,112</u>	<u>4,060,736</u>	<u>-</u>	<u>129,235</u>	<u>8,176,083</u>	<u>1,630,862</u>
<b>Operating Expenses:</b>						
Personal services	1,201,716	1,466,290	\$ 1,319	35,930	2,705,255	596,021
Purchased services	323,893	271,692		6,732	602,317	302,246
Supplies	564,631	902,457		4,681	1,471,769	51,721
Minor equipment	45,160	4,944			50,104	91,343
Depreciation	575,562	2,133,365			2,708,927	
Other expenses	174,928	158,149	38,197	245	371,519	198,861
Total Operating Expenses	<u>2,885,890</u>	<u>4,936,897</u>	<u>39,516</u>	<u>47,588</u>	<u>7,909,891</u>	<u>1,240,192</u>
Operating Income (Loss)	<u>1,100,222</u>	<u>(876,161)</u>	<u>(39,516)</u>	<u>81,647</u>	<u>266,192</u>	<u>390,670</u>
<b>Nonoperating Revenues (Expenses):</b>						
Intergovernmental revenue						1,000
Investment income	20,170	20,034		9	40,213	
Transfers in			5,289,718	80,000	5,369,718	
Transfers out		(1,607)	(4,140,852)		(4,142,459)	(39,627)
Interest expense	(476,735)	(535,469)		(130,298)	(1,142,502)	
Total Nonoperating Revenues (Expenses), Net	<u>(456,565)</u>	<u>(517,042)</u>	<u>1,148,866</u>	<u>(50,289)</u>	<u>124,970</u>	<u>(38,627)</u>
Capital Contributions		424,092			424,092	
Change in Net Assets	643,657	(969,111)	1,109,350	31,358	815,254	352,043
Net Assets at Beginning of Year, as Restated	<u>18,015,246</u>	<u>39,769,646</u>	<u>(1,109,350)</u>	<u>1,161,424</u>	<u>57,836,966</u>	<u>546,951</u>
Net Assets at End of Year	<u>\$ 18,658,903</u>	<u>\$ 38,800,535</u>	<u>\$ -</u>	<u>\$ 1,192,782</u>	<u>\$ 58,652,220</u>	<u>\$ 898,994</u>

## Proprietary Funds

## Statements of Cash Flows

For the Year Ended June 30, 2009

	Business-Type Activities Enterprise Funds					Governmental Activities
	Water Fund	Sewer Fund	Arena Fund	DBIDA Fund	Total	Internal Service Funds
<b>Cash Flows From Operating Activities:</b>						
Receipts from customers and users for services	\$ 3,773,598	\$ 4,427,741			\$ 8,201,339	\$ 1,634,602
Receipts from customers and users for investment fees	109,318	207,655		\$ 124,201	441,174	
Payments to vendors and contractors	(1,623,778)	(1,237,444)	\$ (115,755)	(10,041)	(2,987,018)	(621,799)
Payments of employee salaries and benefits	(1,214,238)	(1,481,054)	(30,285)	(28,015)	(2,753,592)	(669,204)
Receipts for interfund service provided	1,073,311			43,835	1,117,146	5,098
Payments for interfund service provided		(317,859)	(2,299,068)		(2,616,927)	(310,069)
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>2,118,211</b>	<b>1,599,039</b>	<b>(2,445,108)</b>	<b>129,980</b>	<b>1,402,122</b>	<b>38,628</b>
<b>Cash Flows From Noncapital Financing Activities:</b>						
Transfers in (out)		(1,607)	2,406,632	80,000	2,485,025	(39,628)
Capital contributions - State aid towards long-term debt repayment		424,092			424,092	
Intergovernmental subsidy						1,000
<b>Net Cash Provided By (Used In) Noncapital Financing Activities</b>		<b>422,485</b>	<b>2,406,632</b>	<b>80,000</b>	<b>2,909,117</b>	<b>(38,628)</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>						
Capital lease payments received				58,656	58,656	
Purchases of capital assets and land for investment	(320,233)	(584,485)			(904,718)	
Principal payments on bonds and notes	(810,000)	(410,000)		(138,338)	(1,358,338)	
Interest expense	(476,735)	(535,469)		(130,299)	(1,142,502)	
<b>Net Cash Provided By (Used For) Capital and Related Financing Activities</b>	<b>(1,606,968)</b>	<b>(1,529,954)</b>		<b>(209,980)</b>	<b>(3,346,902)</b>	
<b>Cash Flows From Investing Activities:</b>						
Investment income	20,170	20,034		9	40,213	
<b>Net Cash Provided By Investing Activities</b>	<b>20,170</b>	<b>20,034</b>		<b>9</b>	<b>40,213</b>	
<b>Net Change in Cash and Short-Term Investments</b>	<b>531,413</b>	<b>511,604</b>	<b>(38,476)</b>	<b>9</b>	<b>1,004,550</b>	
<b>Cash and Short Term Investments, Beginning of Year</b>	<b>1,837,142</b>	<b>1,822,312</b>	<b>38,476</b>	<b>6,419</b>	<b>3,704,349</b>	
<b>Cash and Short Term Investments, End of Year</b>	<b>\$ 2,368,555</b>	<b>\$ 2,333,916</b>	<b>\$ -</b>	<b>\$ 6,428</b>	<b>\$ 4,708,899</b>	<b>\$ -</b>
<b>Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:</b>						
Operating income (loss)	\$ 1,100,222	\$ (876,161)	\$ (39,516)	\$ 81,847	\$ 266,192	\$ 390,670
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation	575,562	2,133,365			2,708,927	
Changes in assets and liabilities:						
User fees	(103,196)	(93,748)	46,893		(150,049)	
Inventory	(35,978)	(15,401)	5,790		(45,489)	14,118
Departmental and other receivables		696,228			696,228	3,740
Interfund receivables and payables	1,073,311	(317,859)	(2,299,068)	43,835	(1,499,781)	(304,971)
Other assets						(1,910)
Accounts payable	(488,802)	61,176	(19,092)	1,617	(445,101)	10,164
Accrued liabilities	897	(16,181)	(16,128)	2,377	(29,035)	(78,146)
Unearned revenue		(27,822)	(62,357)	(5,034)	(95,213)	
Retainage payable	(103,634)	(38,587)			(142,221)	
Compensated absences	(13,419)	1,417	(12,838)	5,538	(19,302)	4,963
OPEB liability	113,148	92,610	(48,792)		156,966	
<b>Net Cash Provided By (Used For) Operating Activities</b>	<b>\$ 2,118,211</b>	<b>\$ 1,599,039</b>	<b>\$ (2,445,108)</b>	<b>\$ 129,980</b>	<b>\$ 1,402,122</b>	<b>\$ 38,628</b>

## Fiduciary Funds

### Statement of Fiduciary Net Assets

June 30, 2009

	Agency Funds	Private Purpose Trust Funds
<b>ASSETS</b>		
Cash and short term investments	\$ 302,115	
Due from other funds	928,710	\$ 753,220
Total Assets	<u>1,230,825</u>	<u>753,220</u>
<b>LIABILITIES AND NET ASSETS</b>		
Other liabilities	1,230,825	
Total Liabilities	<u>1,230,825</u>	<u>-</u>
<b>NET ASSETS</b>		
Total Net Assets Held in Trust	\$ <u>-</u>	\$ <u>753,220</u>



## Fiduciary Funds

### Statement of Changes in Fiduciary Net Assets

For the Year Ended June 30, 2009

	Private Purpose Trust Funds
<b>Additions:</b>	
Contributions	\$ 52,259
Investment income	28,253
Total additions	<u>80,512</u>
<b>Deductions:</b>	
Disbursements by agent	<u>28,980</u>
Total deductions	<u>28,980</u>
Net increase	51,532
<b>Net Assets:</b>	
Beginning of year	<u>701,688</u>
End of year	<u>\$ 753,220</u>

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## Notes to Financial Statements

June 30, 2009

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Dover, New Hampshire (the City) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

#### Reporting Entity

The government is a municipal corporation governed by an elected mayor, eight-member council and an appointed City Manager. As required by generally accepted accounting principles, these financial statements present the government and any applicable component units for which the government is considered to be financially accountable. In fiscal year 2009, it was determined that no entities met the required GASB-39 criteria of component units.

#### Government-Wide and Fund Financial Statements

##### Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

##### Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

##### Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.



## Notes to Financial Statements

June 30, 2009

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

##### Fund Financial Statements

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental fund:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

The government reports the following major proprietary funds:

- The Water Fund accounts for the operation of a water treatment plant, City wells and water system
- The Sewer Fund accounts for the operation of a sewer treatment plant, pumping station and sewer lines.
- The Arena Fund accounts for the operations of the Dover Ice Arena. During the year ended June 30, 2009, the Arena fund was transferred to the General Fund.
- The Dover Business and Industrial Development Authority Fund (DBIDA) accounts for the economic development projects of the DBIDA, which operates under RSA 162-G.

## Notes to Financial Statements

June 30, 2009

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

##### Fund Financial Statements – Continued

Additionally, the government reports the following fund type:

- Internal service funds account for data processing, fleet management services, and workers compensation administration and claims, provided to other departments on the cost reimbursement basis.

Fiduciary funds employ the same economic resources measurement focus and accrual basis of accounting as do proprietary funds. Agency funds, however, only report assets and liabilities, and thus have no measurement focus. The government also reports the following fiduciary funds:

- The Private-Purpose Trust Funds are used to account for trust arrangements, under which principal and investment income exclusively benefit individuals, private organizations, or other governments. Private Purpose Trust Funds held by the City include trust arrangements for Cemetery general care, Parks & Recreation program scholarships, Welfare benefits, and School scholarships.

Agency funds account for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. Agency funds held by the City include the Chamber of Commerce, Performance Bonds, Department Agency, and School Agency.

As a general rule and per the City's policy, the effect of interfund activity has been eliminated from the government-wide financial statements. The reimbursements from other funds included in internal service funds revenue are eliminated on the government-wide level to remove the "doubling up" effect of internal service activity.

#### Cash and Investments

The government's cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The New Hampshire Public Deposit Investment Pool (NHPDIP) operates in accordance with appropriate state laws and regulations and is under the control of the New Hampshire Banking Commission. The reported value of the pool is the same as the fair value of the pool shares. Participation units of the NHPDIP are considered short-term for financial presentation purposes.

Investments are considered holdings of greater than three months and are reported at fair value.

#### City Funds

Under New Hampshire RSA 48:16, the City Treasurer may invest excess funds which are not immediately needed for the purpose of expenditure, in obligations of the United States government, in participation units in the public deposit investment pool established pursuant to RSA 383:22, in savings bank deposits of banks incorporated under the laws of the state of New Hampshire or in certificates of deposits and repurchase agreements of banks incorporated under the laws of the state of New Hampshire or in banks recognized by the state treasurer. At least yearly, the City Council shall review and adopt an investment policy for the investment of public funds in conformance with the provisions of applicable statutes. The significant sections of that policy are disclosed in Note 3.

## Notes to Financial Statements

June 30, 2009

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

##### Trust Funds

Under New Hampshire RSA 34:5, capital reserve funds of the City shall be invested only by deposit in some savings banks or in the savings department of a national bank or trust company, or in the shares of a cooperative bank, building and loan association, or federal savings and loan association, in this state or in bonds, notes or other obligations of the United States government, in bonds or notes of this state, in such stocks and bonds as are legal for investment by New Hampshire savings banks, or in participation units in the public deposit investment pool established pursuant to RSA 383:22 by the trustees of the trust funds.

Under New Hampshire RSA 31:27, the city trustees of trust funds may establish, maintain and operate one or more common trust funds, in which may be combined money and property belonging to the various trusts in their care, for the purpose of facilitating investments, providing diversification and obtaining reasonable income; provided, however, that said common trust funds shall be limited to the investments authorized inroad 31:25; provided further, that not more than \$10,000 or more than 10 percent of the fund whichever is greater of any town or city common trust funds shall be invested under RSA 31:25 in the obligations of any one corporation or organization, excepting deposits in any federally or state-chartered bank or association authorized to engage in a banking business in this state, in credit unions in this state, or in obligations of the United States and of the state of New Hampshire and its subdivisions; or in participation units in the public deposit investment pool established pursuant to RSA 383:22, or in shares of open-ended mutual funds selected by the trustees for investment under RSA 31:25.

Under New Hampshire RSA 31:25, at least yearly, the trustees of trust funds shall review and adopt an investment policy for the investment of public funds in conformance with the provisions of applicable statutes. The significant sections of that policy are disclosed in Note 3.

##### Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds are offset by a fund balance reserve accounting applicable governmental funds to indicate the portion not available for appropriation and not available as expendable financial resources.

Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

##### Inventories

Inventories are valued at the lower of cost or market using the first-in/first-out (FIFO) method. The costs of inventories is recorded as an expense when consumed rather than when purchased.



## Notes to Financial Statements

June 30, 2009

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

##### Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. No interest was capitalized during 2009.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 – 40 years
Building improvements	40 years
Building systems	15 - 24 years
Infrastructure	20 – 60 years
Water/sewer infrastructure	24 – 50 years
Vehicles	8-15 years
Office equipment	7-20 years
Computer equipment	5-10 years
Land improvements	15-20 years
Machinery and equipment	5-15 years
Books and collections	5 years

##### Compensated Absences

Depending on the union, employees may be compensated for unused amounts of sick leave earned prior to June 30, 1993, ranging from 25% to 75% of accumulated time. Effective June 30, 1993, all non-education employees are awarded sick leave at a rate of 10 days per year, which lapses at year end. Employees earn vacation leave as they provide services. Employees may carry over earned vacation days with some limitations (usually sixty days) and use compensatory time for unused balances upon termination with some limitations, usually 30 days.

All vested sick and vacation pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

During fiscal year 2002, the City began funding the current vested portion of vacation and sick time for non-enterprise fund employees by establishing a capital reserve fund. The balance in the fund as of June 30, 2009 was \$580,348. The vested portion attributable to enterprise fund employees has been recorded in the respective fund.

## Notes to Financial Statements

June 30, 2009

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued**

##### **Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

##### **Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

##### **Use of Estimates**

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

##### **Recent Accounting Pronouncements**

###### *Hierarchy of Generally Accepted Accounting Principles*

In April 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles (GAAP) for State and Local Governments*. This statement incorporates the hierarchy of GAAP for state and local governments into the GASB's authoritative literature. The "GAAP hierarchy" consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. The GASB is responsible for establishing GAAP for state and local governments, however, prior to GASB No. 55 the GAAP hierarchy was set forth in the American Institute of Certified Public Accountants' (AICPA) Statement on Auditing Standards (SAS) No. 69, *The Meaning of Present Fairly in Conformity with GAAP*, rather than in the authoritative literature of the GASB. The adoption of this statement did not have a material effect on the City's financial position or results of operations.

###### *Codification of Accounting and Financial Reporting Guidance*

In April 2009, the GASB issued GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*. This statement incorporates into the GASB authoritative literature accounting and financial reporting guidance on related party transactions, going concern considerations and subsequent events previously only contained in AICPA Statements on Auditing Standards. The statement does not establish new accounting standards but rather incorporates the existing guidance (to the extent appropriate in a governmental environment) into the GASB standards. The adoption of this statement did not have a material effect on the City's financial position or results of operations.

## Notes to Financial Statements

June 30, 2009

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Recent Accounting Pronouncements - Continued

##### *Fund Balance*

In March 2009, the GASB issued GASB Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions*. This statement enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing government fund type definitions. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The new statement is effective for financial statement periods beginning after June 15, 2010. The City is currently assessing the impact of this statement on its financial position and changes in financial position.

### NOTE 2 – STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY

#### Budgetary Information

The City Manager submits his proposed operating budget to the City Council on or before April 15th. The operating budget includes proposed expenditures and the means of financing them. Annual budgets are: parking activity, residential solid waste, library fines, tuition programs, school alternative education, school facilities, McConnell Center, police DHA fund and school cafeteria. Proprietary funds with annually adopted budgets are water, sewer, and arena funds. Public hearings are conducted to obtain comments on the proposed budget. The final budget must be adopted by June 15th, but not earlier than seven days after a public hearing. Separate public hearing is held on the portion of the budget submitted by the School Board.

The City Manager may transfer budgeted amounts within each non-school Department without City Council approval. The City Manager may transfer budgeted amounts between non-school Departments only after obtaining approval from the Council. The Superintendent of the School Department may transfer budgeted amounts within the Department as needed. The City Council may, after public hearings, appropriate additional amounts. The City Council must designate the source of such funds except for emergency situations. All unencumbered appropriations, except those for capital expenditures or dedicated funds, lapse at the end of the fiscal year. Appropriation for capital expenditures remains in force for three years or until their purpose has been accomplished or abandoned.

#### Budgetary Basis

The General Fund final appropriation appearing on Budget and Actual page of the fund financial statements represents the final amended budget after all transfers and supplemental appropriations.

#### Budget/GAAP Reconciliation

The budgetary data for the general and special revenue funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund and various special revenue funds are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.



## Notes to Financial Statements

June 30, 2009

### NOTE 2 – STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY – CONTINUED

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

	Revenues and other financing sources	Expenditures and other financing uses	Revenues and other financing sources over (under) expenditures and other financing uses
General Fund			
Revenues/expenditures (GAAP basis)	\$ 82,074,853	\$ 80,297,304	\$ 1,777,549
Other financing sources/uses (GAAP basis)		2,685,641	(2,685,641)
	<u>82,074,853</u>	<u>82,982,945</u>	<u>(908,092)</u>
Adjust property tax revenue to accrual basis	172,193		172,193
Reverse beginning of year appropriation carryforwards from expenditures		(643,717)	643,717
Reverse on-behalf payments	(1,501,484)	(1,501,484)	
Add end of year appropriation carryforwards to expenditures		856,381	(856,381)
Other differences	9,274	(31,921)	41,195
To reverse amortized debt		<u>(21,250)</u>	<u>21,250</u>
Budgetary Basis	<u>\$ 80,754,836</u>	<u>\$ 81,640,954</u>	<u>\$ (886,118)</u>

#### Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations in the following areas:

General Fund:	
Transfers	\$ (1,148,866)
Nonmajor Governmental Funds	
Special Revenue Funds	
Tuition Programs	\$ (54,202)
McConnell Center	(48,282)
Police DHA Fund	(25,278)
Internal Services Funds	
Fleet maintenance	\$ (15,560)
Enterprise Funds	
Sewer Fund	\$ (432,634)

## Notes to Financial Statements

June 30, 2009

### NOTE 2 – STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY – CONTINUED

#### Deficit Fund Equity

The individual projects within the following funds had deficits as of June 30, 2009:

##### Nonmajor Governmental funds

##### Special Revenue Funds:

Community Development	\$	(145,091)	(A)
Homeland Security		(36,340)	(A)
Radiology Emergency Response		(7,818)	(A)
Police DOT		(7,705)	(A)
EPA Fund		(45,434)	(A)
Dover Main Street		(3,745)	(A)
McConnell Center		(634,250)	(B)

##### Capital Project Funds:

CIP FY10	\$	(835,603)	(B)
CIP FY05		(516,042)	(B)
CIP FY00		(41,609)	(B)
Coheco River Dredge		(180,640)	(C)

(A) The deficits in these funds will be eliminated through the future grant reimbursements.

(B) The deficits in these funds will be eliminated through future departmental revenues and transfers from other funds.

(C) The deficit will be funded by future grant reimbursements and fees charged for placement of dredge spoils.

### NOTE 3 – CASH AND INVESTMENTS

#### Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the deposits may not be returned. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. None of the City's investments were exposed to custodial credit risk.

#### City Funds

The City's Investment Policy requires the use of security broker/dealers be based on credit-worthiness (a minimum capital requirement of \$100,000,000 and at least five years of operation). Permitted investment per state law and the City's policy are U.S. Government Obligations, New Hampshire Public Deposit Investment Pool (NHPDIP), Certificates of Deposits in New Hampshire banks and overnight Repurchase Agreements whose underlying securities consist of U.S. Government Obligations, U.S. Government Agency Obligations or State of New Hampshire Obligations. Financial institutions where funds are kept on deposit, in CDs or Repurchase Agreements must meet the following criteria:

## Notes to Financial Statements

June 30, 2009

### NOTE 3 – CASH AND INVESTMENTS – CONTINUED

#### City Funds – Continued

- Minimum total assets of \$100 million.
- Minimum of an average rating by a bank rating service.
- Minimum ratio of equity capital to total assets of 5%.
- Maximum ratio of non-performing assets to equity of 20%.

Full collateralization is required on non-negotiable CDs or overnight Repurchase Agreements. Repurchase Agreement collateral must consist of U.S. Government Obligations, U.S. Government Agency Obligations or State of New Hampshire Obligations.

Maximum maturity for an investment of City funds is six months. As of June 30, 2009, the City's bank balance of \$39,121,309 was fully insured and collateralized.

#### Trust Funds

The Investment Policy of the City's Board of Trustees of the Trust Funds permits deposits and investments in:

- Deposits in savings banks or the savings department of a national bank or trust company in the state of New Hampshire or in the NHPDiP.
- Shares of a building and loan association or cooperative bank, incorporated and doing business under New Hampshire law.
- Shares of any federal savings and loan association, located and doing business in New Hampshire.
- Certificates of deposits in New Hampshire.
- Bonds, notes or other obligations of the U.S. Government or the state, county, town, city, school district or water and sewer district.
- Stocks and bonds as are legal for investment by New Hampshire savings banks.
- Shares of mutual funds or money market mutual funds.
- Investment depositories must meet the following criteria:
  - Minimum total assets of \$100 million.
  - Minimum ratio of equity capital to total assets of 6%.
  - Maximum ratio of non-performing assets to equity of 35%.
  - Minimum of an average rating by a bank rating service.



## Notes to Financial Statements

June 30, 2009

### NOTE 3 – CASH AND INVESTMENTS – CONTINUED

#### Trust Funds – Continued

The \$1,690,153 investments of the Trust Funds are all equity and fixed income mutual funds which are exempt from the rating and duration of time disclosure requirements.

#### Credit Risk

The City's Investment Policy and the Board of Trustees Investment Policy minimize credit risk by limiting investments to the safest types of securities as listed above, pre-qualifying institutions and diversifying the portfolio. In addition, they do not permit investments made with leveraging techniques, margin purchases or trading involving short selling. The Board of Trustees' Investment Policy also addresses specific ratio analysis and financial parameters for investments in stocks, bonds and mutual funds. During fiscal year 2009 the trust investments were held in mutual funds. The mutual fund investment criteria are listed below:

- The fund is a no load, open-ended fund, and does not charge 12b-1 expenses.
- The fund is qualified for sale in the State of New Hampshire with the Securities Regulations Bureau of the New Hampshire Secretary of State
- The fund is registered with the SEC.
- A prospectus is available to the trustees outlining the investment philosophy of the fund and the major holdings in the fund.
- The fund has a Morningstar rating of four stars or better.
- The fund can invest in equities or bonds or both.
- Price/Earnings & Price/Book ratios should be reasonable within the given market conditions and sectors.
- If the fund invests mainly in fixed income securities or is mixed with equities, the average credit quality of the fixed income securities should be A or higher.
- No investment shall be made into high yield bond funds.

#### City Funds

The City's Investment Policy limits its exposure to concentration credit risk by limiting the types of investment securities that it holds to U.S. Government Obligations and by splitting its short term deposits between financial institutions that fully collateralize them and the NHPDIP that also collateralizes the deposits and fully insures them.

#### Trust Funds

It is the policy of the Trustees that common investments shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, industry or specific issuer. The Trustees' concentration of credit risk policy is as follows:

## Notes to Financial Statements

June 30, 2009

### NOTE 3 – CASH AND INVESTMENTS – CONTINUED

#### Trust Funds – Continued

- No more than 10% of the portfolio (cost basis including cash and investments) shall be invested in the obligations of any one entity, corporation or organization exclusive of U.S. government or agency obligations. A mutual fund will be considered one entity.
- No more than 20% (cost basis) shall be invested in any one sector.
- About 10% of the portfolio should be kept in more liquid money market accounts.

#### Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

#### City Funds

The City minimizes the risk that the market value of securities will fall due to changes in general interest rates by structuring the portfolio so securities mature to meet the cash requirements for on-going operations thus avoiding the need to sell securities on the open market prior to maturity. The policy also provides for investing primarily in shorter-term securities including the local government investment pool.

#### Trust Funds

The Trust recognizes that investment risks can result from issuer defaults market price changes or various technical complications leading to temporary loss of liquidity. Portfolio diversification is to be employed as a way to control risk. The Treasurer is expected to use prudence in the selection of securities as a way to minimize default risk. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the specific issuer. The Treasurer shall review and, if appropriate, proceed to liquidate any securities having comparable credit risks.

Information about the sensitivity of the fair values of the Trust's investments to market interest rate fluctuations is not provided, since all investments are held in mutual funds.

#### Foreign Currency Risk

Specific investment in foreign securities is not permitted by either the City or Board of Trustees Investment Policies. Mutual Funds held by the Board of Trustees may have insignificant holdings in foreign securities.

The City and Board's policies also outline other specific investment criteria and are available for review at [www.ci.dover.nh.us](http://www.ci.dover.nh.us).

## Notes to Financial Statements

June 30, 2009

### NOTE 4 – TAXES RECEIVABLE

The City bills property taxes semi-annually, in October and April of the following year. Property tax revenues are recognized in the fiscal year for which taxes have been levied to the extent that they become available, i.e., due or receivable within the current fiscal year and collected within the current period or within 60 days of year-end.

Property taxes are due no earlier than December 1 and June 1, of the following year and must be due at least 30 days after bills are mailed. At the time of the tax lien, which the City usually places within 60 to 90 days after the second due date, a lien is recorded on the property at the Registry of Deeds. If the property taxes are not paid (redeemed) within two years and one day of the tax lien date, the property could be conveyed to the City by deed and subsequently sold at public auction or sealed bid.

The City annually budgets an amount (overlay for abatements) for property tax abatements and refunds. All abatements and refunds are charged to overlay. Prior to fiscal year 1996, the City was funding all abatement out of the current year appropriation regardless of the levy of the tax. During fiscal year 1996, the City began matching property tax abatements for individual levy years, with the tax revenue earned by the individual levy years.

Taxes receivable at June 30, 2009 are comprised of (in thousands):

Unredeemed taxes:

Levy of fiscal year 2009	\$ 2,631
Levy of fiscal year 2008	370
Levy of fiscal year 2007	176
Levy of fiscal year 2006	12
Allowance for abatements	(229)
	<u>2,960</u>

Other taxes:

Other miscellaneous taxes	24
	<u>\$ 2,984</u>

### NOTE 5 – DEPARTMENTAL AND OTHER RECEIVABLES

Departmental and other receivables, as reported in the governmental funds represent ambulance, police detail, current use receivables and other reimbursements.

	Ambulance	Police Detail	Residential Solid Waste	Other	Total
Gross	\$ 772,879	\$ 58,375	\$ 57,822	\$ 345,580	\$ 1,234,656
Less allowance for doubtful accounts	(415,506)			(27,185)	(442,691)
	<u>\$ 357,373</u>	<u>\$ 58,375</u>	<u>\$ 57,822</u>	<u>\$ 318,395</u>	<u>\$ 791,965</u>

### NOTE 6 – INTERGOVERNMENTAL RECEIVABLES

Intergovernmental receivables of \$348,862 reported in the general fund represents tuition revenue received from area school districts in July and August 2009. The balance of \$2,148,136 reported in the nonmajor governmental funds represents amounts to be received on various expenditure driven grants.



## Notes to Financial Statements

June 30, 2009

### NOTE 6 – INTERGOVERNMENTAL RECEIVABLES – CONTINUED

The New Hampshire Department of Environmental Services annually reimburses the City for a portion of the principal and interest payments on Sanitary Sewer Funds bonds. The reimbursement is based upon the amount of the State's participation in the original sewer project. The amount due from the State in future years is as follows:

Fiscal Year Ended June 30,:	Reimbursement For		
	Principal	Interest	Total
2010	\$ 923,249	\$ 132,614	\$ 1,055,863
2011	845,565	75,685	921,250
2012	352,827	18,739	371,566
2013	15,443	18,200	33,643
2014	15,355	6,240	21,595
Thereafter	139,367	34,033	173,400
	<u>\$ 2,291,806</u>	<u>\$ 285,511</u>	<u>\$ 2,577,317</u>

In the Sewer Enterprise fund, the City has accrued \$77,684 of interest due in fiscal year 2009, along with all principal as Intergovernmental Receivables at June 30, 2009.

### NOTE 7 – LOANS RECEIVABLE

Loans receivable of \$400,660 in nonmajor governmental funds represent the uncollected balance of community development loans.

### NOTE 8 – INTERFUND FUND RECEIVABLES, PAYABLES, AND TRANSFERS

The City maintains self-balancing funds; however, most cash transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The amount payable to the general fund from the McConnell Center Fund relates to cash flow hardship, and is not scheduled to be collected in the subsequent year. The following is an analysis of the June 30, 2009 balances in interfund receivable and payable accounts:

Fund	Due From Other Funds	Due to Other Funds	Advance to Other Funds	Advance From Other Funds
General Fund		\$ 20,847,884	\$ 640,141	
Nonmajor Governmental Funds	\$ 15,997,430	4,129,641		\$ 640,141
Major Proprietary Funds:				
Enterprise Funds:				
Water	1,598,034			
Sewer	4,404,509			
DBIDA		106,533		
Nonmajor Proprietary Funds:				
Internal Service Funds	1,402,155			
Fiduciary Funds:				
Agency Funds	928,710			
Private Purpose Funds	753,220			
	<u>\$ 25,084,058</u>	<u>\$ 25,084,058</u>	<u>\$ 640,141</u>	<u>\$ 640,141</u>

## Notes to Financial Statements

June 30, 2009

### NOTE 8 – INTERFUND FUND RECEIVABLES, PAVABLES, AND TRANSFERS – CONTINUED

Interfund transfers are used to move unrestricted general fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

### NOTE 9 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows (reported in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 85,327	\$ 5,338		\$ 90,665
Machinery, equipment and furnishings	24,378	2,311		26,689
Infrastructure	59,896	6,168		66,064
Total capital assets, being depreciated	169,601	13,817		183,418
Less accumulated depreciation for:				
Buildings and improvements	(26,884)	(1,865)		(28,749)
Machinery, equipment and furnishings	(15,171)	(1,497)		(16,668)
Infrastructure	(38,284)	(2,025)		(40,309)
Total accumulated depreciation	(80,339)	(5,387)		(85,726)
Total capital assets, being depreciated, net	89,262	8,430		97,692
Capital assets, not being depreciated:				
Land	13,919			13,919
Construction in progress	29,349	10,981	\$ (11,828)	28,502
Total capital assets, not being depreciated	43,268	10,981	(11,828)	42,421
Governmental Activities Capital Assets, Net	\$ 132,530	\$ 19,411	\$ (11,828)	\$ 140,113
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 37,125	\$ 2,555		\$ 39,680
Machinery, equipment and furnishings	9,566	451		10,017
Infrastructure	55,956	165		56,121
Total capital assets, being depreciated	102,647	3,171		105,818
Less accumulated depreciation for:				
Buildings and improvements	(17,311)	(1,105)		(18,416)
Machinery, equipment and furnishings	(5,286)	(533)		(5,819)
Infrastructure	(19,047)	(1,132)		(20,179)
Total accumulated depreciation	(41,644)	(2,770)		(44,414)
Total capital assets, being depreciated, net	61,003	401		61,404
Capital assets, not being depreciated:				
Land	1,786			1,786
Construction in progress	4,512	906	\$ (3,200)	2,218
Total capital assets, not being depreciated	6,298	906	(3,200)	4,004
Business-Type Activities Capital Assets, Net	\$ 67,301	\$ 1,307	\$ (3,200)	\$ 65,408

## Notes to Financial Statements

June 30, 2009

### NOTE 9 – CAPITAL ASSETS – CONTINUED

Depreciation expense was charged to functions of the City as follows (in thousands):

Governmental Activities:	
General government	\$ 28
Public safety	397
Public works	2,836
Education	1,616
Culture and recreation	508
Human services	2
Total Depreciation Expense - Governmental Activities	<u>\$ 5,387</u>
Business-Type Activities:	
Water	\$ 714
Sewer	2,056
	<u>\$ 2,770</u>

### Construction Commitments:

Active construction in progress at June 30, 2009 and commitments outstanding consist of the following:

	Construction in Progress	Remaining Commitments
Government Activities:		
Tolend Road Landfill	\$ 9,118,225	\$ 4,238,641
Woodman Park School	8,224,552	35,979
Cocheco Dredge Cell	3,626,622	718,463
TIP - Cocheco River Bridge	1,777,244	2,676,844
Glenwood Avenue Improvements	1,596,431	140,141
TIP - Signalization Rte 108	1,093,968	202,682
Henry Law Avenue Reconstruction	858,167	96,497
TIP - Multi Use Trail - Newington Branch	484,421	320,450
Sidewalks	403,054	19,835
McConnell Building Improvements	224,958	38,867
Fire Station North End	378,266	19,782
Street Improvements	198,707	1,079,968
Home Street School	179,248	6,165
Drainage	154,848	6,000
Various other construction projects	184,664	136,723
Total Governmental Activities	<u>\$ 28,503,375</u>	<u>\$ 9,737,036</u>
Business-Type Activities		
Water Meter Replacement	\$ 1,830,434	\$ 266,751
Water-Atlantic and Gulf Road	112,024	398,969
Various other water construction projects	57,280	42,511
Various other sewer construction projects	197,386	229,408
DBIDA Enterprise Park	20,579	4,060
Total Business-Type Activities	<u>\$ 2,217,703</u>	<u>\$ 941,699</u>



## **Notes to Financial Statements**

**June 30, 2009**

### **NOTE 10 – ACCOUNTS PAYABLE**

Accounts payable represents fiscal year 2009 invoices paid in the subsequent fiscal year.

### **NOTE 11 – ACCRUED LIABILITIES**

Accrued liabilities in the general fund represent salaries earned but unpaid to City and School employees at year-end.

### **NOTE 12 – DEFERRED REVENUE**

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The balance of the General Fund deferred revenues account is equal to the sum of all delinquent taxes at June 30, 2009 less property and unredeemed tax collections for the subsequent 60 days.

### **NOTE 13 – LONG-TERM DEBT**

#### **Long-Term Debt Supporting Governmental Activities**

General obligation bonds, issued by the City for various municipal projects are approved by City Council and repaid with property taxes recorded in the General Fund and user fees recorded in Enterprise Funds. Compensated absences are repaid from the funds that the costs relate to, mostly general fund, and also water, sewer, arena, internal service, and other special revenue funds.

#### **General Obligation Bonds and Loans**

The City's general obligation bonds and loans are used to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and loans have been issued for both governmental and business-type activities. The City has not issued any revenue bonds. All bonds and loans outstanding were used in calculating the net assets invested in capital assets net of related debt. General obligation bonds and loans currently outstanding are as follows:

## Notes to Financial Statements

June 30, 2009

### NOTE 13 – LONG-TERM DEBT – CONTINUED

#### General Obligation Bonds and Loans – Continued

Description	Original Issue Amount	Rate	Maturity Date	Balance
Bonds Payable:				
WWTP - State guaranteed 1991	\$ 10,500,000	6.6983%	7/15/11	\$ 1,575,000
WWTP - State guaranteed 1991	7,300,000	6.5746%	1/15/12	1,095,000
WWTP - State guaranteed 1992	450,000	5.5966%	1/15/12	60,000
Public improvements 1993	1,188,338	5.4153%	8/15/08	
Public improvements 1994	3,043,000	5.6100%	8/15/09	175,000
Public improvements 1995	3,356,711	5.3259%	8/15/10	410,000
Public improvements 1996	3,885,092	5.6554%	8/15/11	590,000
Public improvements 1996	875,055	5.4059%	1/15/12	60,470
Public improvements 1997	1,002,327	4.8400%	8/15/12	160,000
Public improvements 1999	4,137,500	4.1900%	1/15/13	1,100,000
Public improvements 1999	2,179,901	5.5100%	1/15/15	840,000
New Middle School 1999	15,741,027	5.5800%	1/15/20	6,469,664
Public improvements 2001	22,991,400	4.4506%	6/15/21	11,360,000
Public improvements 2002	2,240,600	4.2300%	6/15/22	1,235,000
Public improvements 2003	14,280,000	3.1688%	6/15/24	8,865,000
Public improvements 2004	9,816,000	4.1148%	6/15/25	7,205,000
Public improvements 2005	10,740,000	3.8405%	6/15/26	8,615,000
Public improvements 2006	22,348,000	4.2313%	6/15/27	19,630,000
Public improvements 2007	20,646,000	4.5000%	6/15/27	18,350,000
Public improvements 2008	9,970,000	4.0935%	12/15/28	9,970,000
Total Bonds Payable				<u>97,765,134</u>
Other Long-Term Debt:				
State revolving loan - Tolend landfill	1,271,357		6/1/13	423,786
BFA loan	2,000,000		3/2/26	1,823,435
Total Other Debt Outstanding				<u>2,247,221</u>
Total Long-Term Debt				<u>\$ 100,012,355</u>

#### Future Debt Service

The annual principal and interest payments to retire all general obligation long-term debt outstanding as of June 30, 2009 are as follows:

## Notes to Financial Statements

June 30, 2009

### NOTE 13 – LONG-TERM DEBT – CONTINUED

#### Future Debt Service – Continued

Governmental	Principal	Interest	Total
2010	\$ 6,645,849	\$ 3,437,096	\$ 10,082,945
2011	6,409,246	3,252,516	9,661,762
2012	6,182,192	3,077,851	9,260,043
2013	5,945,002	2,904,570	8,849,572
2014	5,872,998	2,722,744	8,595,742
2015 - 2019	24,093,494	11,118,089	35,211,583
2020 - 2024	14,769,139	3,997,722	18,766,861
2025 - 2029	6,220,000	569,924	6,789,924
	<u>\$ 76,137,920</u>	<u>\$ 31,080,512</u>	<u>\$ 107,218,432</u>
<b>Business-Type</b>			
2010	\$ 2,882,247	\$ 1,059,807	\$ 3,942,054
2011	2,796,416	923,710	3,720,126
2012	2,575,864	790,158	3,366,022
2013	1,645,610	681,971	2,327,581
2014	1,643,673	613,289	2,256,962
2015 - 2019	8,101,625	1,843,074	9,944,699
2020 - 2024	3,299,000	576,761	3,875,761
2025 - 2029	930,000	77,904	1,007,904
	<u>\$ 23,874,435</u>	<u>\$ 6,566,674</u>	<u>\$ 30,441,109</u>
<b>Total future debt service</b>	<u><u>\$ 100,012,355</u></u>	<u><u>\$ 37,647,186</u></u>	<u><u>\$ 137,659,541</u></u>

The City's proprietary fund future debt service is partially funded by the state as described in Note 6. The governmental future debt service relating to school construction is partially funded by the New Hampshire Department of Education School Building Aid, which is annually appropriated by the state.

#### Bond Authorizations

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2009 are as follows:

Purpose	Amount
Enterprise Park Building Project	\$ 2,000,000
Tolend Road Landfill Remediation	1,600,000
Rizzo - Downtown Parking	500,000
Open space Acquisition	1,000,000
TIP Cochecho River Bridge	200
Public Improvements FY09	1,550,000
Public Improvements FY10	7,959,000
Public Improvements FY10	2,000,000
Public Improvements FY10	1,200,000
Public Improvements FY10	279,157
	<u><u>\$ 18,088,357</u></u>



## Notes to Financial Statements

June 30, 2009

### NOTE 13 – LONG-TERM DEBT – CONTINUED

#### Maximum Debt Limit

The City is subject to state law which limits debt outstanding to a percentage (depending on how funds will be used) of its last full state valuation. Debt incurred for state required sewerage systems is not subject to the limit. The following is a summary, by purpose, of the outstanding debt of the City at June 30, 2009 and related limitations. These limits are based on the tax year 2008 base valuations for debt limits of \$3,040,617,437 provided by the State Department of Revenue Administration.

Purpose	Percent of State Assessed Value	Maximum Debt Limit	Applicable Bonds Outstanding at June 30, 2009
Municipal	3%	\$ 91,218,523	\$ 40,012,470
School	7%	212,843,221	27,408,664
Water	10%	304,061,744	10,763,000
DBIDA - IP	0%	4,000,000 *	595,000
DBIDA - IB	0%	1,000,000	
DBIDA - Projects	8%	243,249,395	1,823,436
Not subject to limitation	0%		19,409,786
			<u>\$ 100,012,356</u>

\*Debt limit is set by special legislation.

#### Changes in General Long-Term Liabilities

During the year ended June 30, 2009, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 7/1/08	Additions	Reductions	Total Balance 6/30/09	Less Current Portion	Long-Term Portion 6/30/09
<b>Governmental Activities</b>						
Claims liability	\$ 597	\$ 23	\$ (106)	\$ 514	\$ (249)	\$ 265
Bonds and loans payable	73,921	8,545	(6,328)	76,138	(6,646)	69,492
Other:						
Compensated absences	3,145	\$ 926	(1,072)	2,999	(148)	2,851
OPEB liability	7,344	3,721	(1,039)	10,026		10,026
Liability for hazardous waste-site cleanup	6,264	\$ 339		6,603		6,603
	<u>\$ 91,271</u>	<u>\$ 13,554</u>	<u>\$ (8,545)</u>	<u>\$ 96,280</u>	<u>\$ (7,043)</u>	<u>\$ 89,237</u>
<b>Business-Type Activities</b>						
Bonds and loans payable	\$ 25,233	\$ 1,425	\$ (2,784)	\$ 23,874	\$ (2,783)	\$ 21,091
Other:						
Compensated absences	159	\$ 109	(129)	139	(139)	
OPEB liability	601	262	(105)	758		758
	<u>\$ 25,993</u>	<u>\$ 1,796</u>	<u>\$ (3,018)</u>	<u>\$ 24,771</u>	<u>\$ (2,922)</u>	<u>\$ 21,849</u>

## Notes to Financial Statements

June 30, 2009

### NOTE 13 – LONG-TERM DEBT – CONTINUED

#### Changes in General Long-Term Liabilities – Continued

During the year ended June 30, 2009 \$2,814,000 of bonds payable were transferred to the governmental activities from the business-type activities as a result of the Arena Fund being transferred to the General Fund. The beginning balances of bonds and loans payable have been adjusted for this transfer.

### NOTE 14 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The City owned and operated a 55-acre landfill on Tolend Road from 1960 to 1979. On September 10, 1991, the Environmental Protection Agency issued a Record of Decision (ROD) on the closure of the site, including the City as a Potentially Responsible Party (PRP). The estimated cost of the original ROD for closure and post closure maintenance was \$34,612,296. The City was responsible for 42.68% of the costs. The City negotiated its preliminary share at \$8,166,666 of the first \$20 million. Thirty-two PRPs made final settlement on all costs related to the closure with EPA. Based on this information, the City established an estimated \$11,016,013 liability for its share of the capping and management of mitigation costs.

The City funded and paid its share of the capping design of \$1,257,357. The City also funded the ongoing project costs over the years with \$2,213,142 in transfers from operational funds, \$2,900,000 from bond authorizations and \$1,237,229 from various sources including state aid, insurance proceeds and a payment from the Town of Madbury.

The City entered negotiations with the EPA and the State of New Hampshire Department of Environmental Services to implement an alternative to the closure capping. The new technique involves an air sparging trench along the down gradient edge of the landfill which will treat contaminated ground water. This alternative carries significant savings versus conventional capping. The City received approval for a pilot program to determine the effectiveness of this method. As a result, the City received a four-year deferral of the capping requirement from EPA.

An Amended Record of Decision (AROD) from EPA was issued on September 30, 2004 to change the closure method with an estimated cost of \$19,393,859, including post closure maintenance. The City's new liability is \$8,663,966 for the alternative closure method using the same cost sharing percentage. Of this total, \$7,625,525 relates to the closure and \$1,038,441 relates to post closure maintenance.

The \$8,663,966 liability is further reduced by expenditures incurred from available bonded funds reflecting a net liability at June 30, 2009 of \$6,602,607 relating to the AROD. The Tolend Road Landfill Fund has a fund balance of \$4,243,916 to satisfy the anticipated future obligation.

The total current cost of landfill closure and post-closure care is an estimate subject to changes resulting from inflation, deflation, technology, or changes in applicable laws and regulations.

### NOTE 15 – RESTRICTED NET ASSETS

The accompanying entity-wide financial statements report restricted net assets when external constraints from grantors or contributors are placed on net assets.

## Notes to Financial Statements

June 30, 2009

### NOTE 16 – RESERVES OF FUND EQUITY

"Reserves" of fund equity are established to segregate fund balances which are either not available for expenditure in the future or are legally set aside for a specific future use.

The following types of reserves are reported at June 30, 2009:

#### Reserved for Encumbrances

An account used to segregate that portion of fund balance committed for expenditure of financial resources upon vendor performance.

#### Reserved for Inventory

An account used to segregate that portion of fund balance committed for inventory purposes.

#### Reserved for Expenditures

Represents the amount of fund balance appropriated to be used for expenditures in the subsequent year budget.

#### Reserved for Advances

An account used to segregate a portion of fund balance to indicate that advances to other funds, although a component of assets, do not represent available spendable resources.

#### Reserved for Other Specific Purposes

Represents the amount of fund balance committed for debt service and capital outlay in subsequent years.

### NOTE 17 – COMMITMENTS AND CONTINGENCIES

#### Outstanding Lawsuits

There are several pending lawsuits in which the City is involved. The City's management is of the opinion that the potential future settlement of such claims would not materially affect its financial statements taken as a whole.

#### Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

#### County Deficit

City's property tax assessment is 27% of Strafford County's total assessment. Strafford County had a \$10,597,186 unreserved General Fund Balance deficit on December 31, 2008, the most recent financial statements available.



## Notes to Financial Statements

June 30, 2009

### NOTE 18 – POST-EMPLOYMENT HEALTH CARE

GASB Statement 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions requires governments to account for other post-employment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially required contribution as an expense on the statement of revenues, expenses, and changes in net assets when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that an entity does not fund their actuarially required contribution, a post-employment benefit liability is recognized on the Statement of Net Assets over time.

#### Plan Description

The City pays toward the cost of health care benefits for certain qualified retirees enrolled at the time of retirement and their eligible dependents (Retiree Group). The City will also pay toward the cost of health care benefits for certain current employees and eligible dependents upon retirement. The benefits, benefit levels, employee contributions and employer contributions are governed by NH RSA 100-A:50.

As of June 30, 2009, the actuarial valuation date, approximately 123 retirees and 598 active employees meet the eligibility requirements.

#### Benefits Provided

The City provides medical, dental, prescription drug, mental health/substance abuse and life insurance to retirees and their covered dependents who meet certain eligibility criteria.

Current retirees have their health care benefit cost paid by the City if they retired while enrolled in the City's Group Health Insurance program and had a minimum of 20 years of continuous creditable service with the City. Current employees are eligible for City cost participation when they retire only if they meet the same enrollment and service criteria and were hired on or before May 30, 2000, depending on the bargaining unit.

Employees who retire from the City under the New Hampshire Retirement System (NHRS) and participated in the City's Group Health Insurance Program at the time of retirement, but who are not eligible for any City retiree health care benefit cost coverage may also join the Retiree Group. Coverage will continue for themselves and their eligible dependents at their own expense in accordance with state statute (NH RSA 100-A:50).

#### Funding Policy

Retirees contribute various percentages of the cost of the health plan, as determined by the City. The City contributes the remainder of the health plan costs on a pay-as-you-go basis.

The retiree health care benefit cost to the City is lessened by subsidies received by retirees from the NHRS. Health care benefit costs are reduced significantly upon a retiree or their dependents attaining the age of 65, at which time they become eligible for Medicare and are changed to a Medicare supplement plan.

During the past 10 fiscal years, the City's cost of health care benefits to retirees, less any subsidies paid by the New Hampshire Retirement System and any withholdings from the retirees, was as follows:

## Notes to Financial Statements

June 30, 2009

### NOTE 18 – POST-EMPLOYMENT HEALTH CARE – CONTINUED

#### Funding Policy – Continued

Fiscal Year	Net City Cost
2009	\$ 655,613
2008	562,787
2007	499,660
2006	401,268
2005	334,247
2004	276,543
2003	108,733
2002	66,030
2001	132,639
2000	109,087

For the fiscal year ended June 30, 2009, \$397,826 was recorded as revenues and expenditures in the General Fund relative to on-behalf payment received from the state.

#### Annual OPEB Costs and Net OPEB Obligation

The City's fiscal 2009 annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of thirty years. The following table shows the components of the City's annual OPEB cost for the year ending June 30, 2009, the amount actually contributed to the plan and the change in the City's net OPEB obligation based on an actuarial valuation as of June 30, 2008, projected to June 30, 2009.

Annual required contribution (ARC)	\$ 4,102,490
Interest on net OPEB obligation	397,279
Adjustment to ARC	(516,872)
Annual OPEB cost	3,982,897
Contributions made	(1,144,571)
Increase in net OPEB obligation	2,838,326
Net OPEB obligation - beginning of year	7,945,587
Net OPEB obligation - end of year	<u>\$ 10,783,913</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

Fiscal Year Ended	Cost	Cost Contributed	Obligation
2009	\$ 3,982,897	28.7%	\$ 10,783,913

The City's net OPEB obligation as of June 30, 2009 is recorded as a liability on the Statement of Net Assets.

## Notes to Financial Statements

June 30, 2009

### NOTE 18 – POST-EMPLOYMENT HEALTH CARE – CONTINUED

#### Funded Status and Funding Progress

The funded status of the Plan as of June 30, 2009, based on the June 30, 2008 actuarial valuation, projected to June 30, 2009, was as follows:

Actuarial accrued liability (AAL)	\$ 42,669,587
Actuarial value of plan assets	
Unfunded actuarial accrued liability (UAAL)	<u>\$ 42,669,587</u>
Funded ratio (actuarial value of plan assets ( AAL)	<u>0%</u>
Covered payroll (active plan members)	<u>\$ 28,725,197</u>
UAAL as a percentage of covered payroll	<u>148.5%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the plan as understood by the City and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2008 actuarial valuation the pure unit credit cost method was used. The actuarial value of assets was not determined as the City has not advance funded its obligation. The actuarial assumptions included a 5.0% investment rate of return and an initial annual healthcare cost trend rate of 10.0% which decreases to a 4.5% long-term rate for all healthcare benefits after ten years. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis.

### NOTE 19 – SELF-INSURANCE

The City is a self-insurer of workers' compensation for all City employees, contracting with an insurance carrier for excess liability coverage. Under the terms of its insurance coverage, the City is liable for \$400,000 per incident. The insurer's limit of liability is \$3,000,000. The City does not carry any aggregate insurance. Funding of the workers' compensation internal service fund is through charges levied to the general, special revenue and enterprise funds.



## Notes to Financial Statements

June 30, 2009

### NOTE 19 – SELF-INSURANCE – CONTINUED

#### Claims Liability

The following represents changes in the Workers' Compensation claims liability:

	Year Ended June 30, 2009	Year Ended June 30, 2008
Unpaid claims, beginning of fiscal year	\$ 596,669	\$ 632,053
Claims incurred (including IBNRs)	23,064	283,898
Claims paid	(105,273)	(319,282)
Unpaid claims, end of fiscal year	<u>\$ 514,460</u>	<u>\$ 596,669</u>

The City adopted a policy to maintain 100% funding for an actuarially determined claims liability based on a 65% confidence level. Out of \$514,460 claims liability as of June 30, 2009, \$249,444 is estimated to be due within one year.

### NOTE 20 – RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

### NOTE 21 – PENSION PLAN

The City follows the provisions of GASB Statement No. 27, Accounting for Pensions for State and Local Government Employees, with respect to the employees' retirement funds.

#### Plan Description

The City contributes to the New Hampshire Retirement System (the "System"), a cost-sharing, multiple-employer defined benefit pension plan administered by the state retirement board. The System provides retirement, disability and death benefits to plan members and beneficiaries. Revised Statutes Annotated 100-A:41-a of New Hampshire Law assigns the system the authority to establish and amend benefit provisions of the plan and grant cost-of-living increases. The System issues a publicly available financial report which can be obtained through the New Hampshire Retirement System at 4 Chenell Drive, Concord, NH 03301-8509.

#### Funding Policy

Plan members are required to contribute to the pension plan based on their annual covered compensation. The rates for member contributions is statutorily defined by Revised Statutes Annotated 100-A:16. The City and State also make annual contributions to the pension plan equal to the amount required. The New Hampshire Retirement System establishes the employers' and the State's contributory rate every two years. The employer pays 65% of the total employer normal contribution rate for teacher, firefighter and police officer members; the State of New Hampshire pays 35%. The employer pays the entire amount for its employee members. The following table reflects the contribution rates (percent of compensation) during fiscal year 2009 for the members, the City and the State.

# Notes to Financial Statements

June 30, 2009

## NOTE 21 – PENSION PLAN – CONTINUED

### Funding Policy – Continued

Group	Contribution Rates		
	Members	City	State
I Teachers	5.00%	5.80%	3.13%
I Employees	5.00%	8.74%	0.00%
II Police	9.30%	11.84%	6.37%
II Fire	9.30%	15.92%	8.57%

Contributions to the System were as follows:

Year Ended	The City	Plan Members	Total
2009	\$ 2,860,685	\$ 2,033,616	\$ 4,894,301
2008	2,936,651	2,075,111	5,011,762
2007	2,032,898	2,185,757	4,218,655
2006	2,006,390	2,156,406	4,162,796
2005	1,713,819	1,919,101	3,632,920
2004	1,655,035	1,865,872	3,520,907
2003	1,133,880	1,786,910	2,920,790
2002	1,020,217	1,609,822	2,630,039
2001	972,117	1,502,795	2,474,912

For the fiscal year ended June 30, 2009, \$1,103,658 was recorded as revenues and expenditures in the General Fund relative to on-behalf payment received from the state.

## NOTE 22 – BEGINNING FUND BALANCE RECLASSIFICATION

The City's major governmental funds for fiscal year 2009, as defined by GASB Statement 34, have changed from the previous fiscal year. CIP-FY08 and CIP-FY07 were major funds in fiscal year 2008 per GASB 34 criteria however are not major funds in fiscal year 2009. Accordingly, the following reconciliation is provided:

	Fund Balance June 30, 2008 (as previously reported)	Reclassification	Fund Balance July 1, 2008 (as restated)
Nonmajor Governmental Funds	\$ 8,209,690	\$ 7,385,811	\$ 15,595,501
CIP-FY08	5,668,706	(5,668,706)	
CIP-FY07	1,717,105	(1,717,105)	
	<u>\$ 15,595,501</u>	<u>\$ -</u>	<u>\$ 15,595,501</u>

## Notes to Financial Statements

June 30, 2009

### NOTE 23 – NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds payable adding back any unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City's net assets invested in capital assets, net of related debt was calculated as follows at June 30, 2009:

(In thousands)	Governmental Activities	Business-Type Activities
Capital assets	\$ 225,839	\$ 109,805
Accumulated depreciation	(85,726)	(44,414)
Bonds payable, total	(76,138)	(21,891)
Unspent bond proceeds	12,043	3,064
Total invested in capital assets, net of related debt	<u>\$ 76,018</u>	<u>\$ 46,564</u>

### NOTE 24 – PRIOR PERIOD ADJUSTMENT

Restatements were made to beginning net assets and beginning fund balance, as a result of the identification of donated roads and related infrastructure that had not been previously recorded, as follows:

(In thousands)	Governmental Activities	Business-Type Activities
Beginning net assets, as previously stated	\$ 62,765	\$ 55,064
Add: Donated roads and related infrastructure	5,297	2,773
Beginning net assets, as restated	<u>\$ 68,062</u>	<u>\$ 57,837</u>

A restatement was made to the general fund beginning fund balance as a result of capital assets, net of the related debt being transferred to the general fund from the arena fund, as follows:

(In thousands)	General Fund
Beginning fund balance, as previously stated	\$ 9,533
Less: Arena capital assets, net of related debt	(1,202)
Beginning fund balance, as restated	<u>\$ 8,331</u>



# Schedule of Funding Progress Required Supplementary Information

June 30, 2009  
(Unaudited)

Other Post-Employment Benefits						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
7/1/2009	\$ -	\$ 42,669,587	\$ 42,669,587	0.0%	\$ 28,725,197	148.5%
7/1/2008	-	40,449,724	40,449,724	0.0%	27,170,669	148.9%
7/1/2007	-	33,584,481	33,584,481	0.0%	N/A	N/A
7/1/2006	-	31,256,403	31,256,403	0.0%	N/A	N/A

N/A – Not available at time of publication.

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## **Combining Financial Statements**



## Nonmajor Governmental Funds

### Special Revenue Funds

Special Revenue Funds are established to account for resources obtained and expended for specified purposes and restricted by law or local action.

Special Revenue Funds are established for the following purposes:

- **Community Development Fund** – To account for grant proceeds received from the U.S. Department of Housing and Urban Development under the Community Development Block Grant (CDBG) program and the related program and subgrant expenditures.
- **CDBG Recovery Fund** – To account for the ARRA grant proceeds related to the CDBG program.
- **Housing Rehabilitation Loan Fund** – To account for loans given to low and moderate income individuals for the purpose of improving their private dwellings.
- **Economic Development Loan Fund** – To account for loans given to small business for the purpose of business establishment or expansion.
- **Police DOJ Fund** – To account for grant proceeds from the U.S. Department of Justice for various drug and alcohol awareness and prevention programs.
- **Homeland Security Fund** – To account for grant proceeds from the U.S. Department of Homeland Security for equipment purchases.
- **Police DHA Fund** – To account for funds received from the Dover Housing Authority for payment toward funding a Police Officer presence at their housing area.
- **Police DOT Fund** – To account for grant proceeds from the U.S. Department of Transportation for various driving safety programs.
- **DHHS Assistance Programs** – To account for grant proceeds for at-risk youth in the community passed through Department of Health and Human Services.
- **Police Tobacco Fund** – To account for grant proceeds for various tobacco awareness and prevention programs.
- **Emergency Management Fund** – To account for grant proceeds from the U.S. Federal Emergency Management Agency for preparation for major disasters.
- **Radiology Emergency Response**– To account for grant proceeds related to emergency preparedness for Seabrook radiology response.

- **DOI Fund** – To account for grant proceeds from the U.S. Department of Interior for various programs.
- **EPA Fund** – To account for grant proceeds from the U.S. Environmental Protection Agency for various programs.
- **School Cafeteria Fund** – To account for cafeteria operations of the Dover School system, including reimbursement from the U.S. Department of Education and receipt of U.S. Department of Agriculture food commodities.
- **School Federal Aid Fund** – To account for grants received from the U.S. Department of Education for various programs supporting School operations.
- **School Special Programs Fund** – To account for Healthy Universal Beginnings program and ancillary education programs supported by the Dover School system and funded mainly by non-federal grants.
- **Dover Main Street Fund** – To account for the expenditures related to the Main Street Program, reimbursed by Dover Main Street, Inc.
- **Planning Improvements Fund** – To account for the funds received pursuant to Planning Board conditions for approval and held for related offsite improvements or other expenditures.
- **Police and Fire Detail** – To account for police and fire outside detail activity.
- **Parking Activity Fund** – To account for revenues of all parking lots, leased parking spaces and metered parking and expenditures of enforcement, lighting and snow removal.
- **Police Special Fund** – To account for forfeiture proceeds and special investigative expenditures.
- **Conservation Fund** – To account for the proceeds of current use (land change) penalties and the purchase of land or easements for conservation purposes.
- **Residential Solid Waste Fund** – To account for revenue from the sale of garbage bags and waste tags to local outlets for resale to the public and the expenditures or residential solid waste pickup and disposal.
- **McConnell Center Fund** – To account for the operations and maintenance of the McConnell Center facility and revenues from the leasing of space to 501(c)3 organizations and City and State organizations.
- **Recreation Programs Fund** – To account for the revenue and expenditures of self-supporting recreational programs.
- **Recreation Field Maintenance Fund** – to account for 10% of the proceeds of the sale of the City gravel for use to maintain recreation fields.

- **Library Fines Fund** – To account for revenue assessed on late return of books for use to purchase books, periodicals, etc. for the Public Library.
- **Tuition Programs Fund** – To account for the revenue and expenditures for Dover School supported Dover Adult Learning Center and Summer Sessions.
- **Vocational Center Fund** – To account for revenues and expenditures of minor programs of the Dover High School's Regional Vocational Education Center.
- **School Alternative Education Fund** – To account for the revenues and expenditures of the Alternative Education Center of the Dover High School.
- **School Facilities Fund** – To account for gate receipts used toward the cost of facility maintenance and upgrades.
- **Other Special Revenue Funds** – To account for revenues and expenditures associated with various special revenue funds, formally classified as trusts under the "Pre-GASB 34" reporting model.

### **Capital Project Funds**

- **CIP FY10** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2010 of the Capital Improvements Program.
- **CIP FY09** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2009 of the Capital Improvements Program.
- **CIP FY08** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2008 of the Capital Improvements Program.
- **CIP FY07** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2007 of the Capital Improvements Program.
- **CIP FY06** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2006 of the Capital Improvements Program.



- **CIP FY05** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2005 of the Capital Improvements Program.
- **CIP FY04** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2004 of the Capital Improvements Program.
- **CIP FY03** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2003 of the Capital Improvements Program.
- **CIP FY02** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2002 of the Capital Improvements Program.
- **CIP FY01** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2001 of the Capital Improvements Program.
- **CIP FY00** – To account for the revenue from bond and loan proceeds, capital reserve transfers and federal and state grant funding and the related expenditures for authorized projects contained within Fiscal Year 2000 of the Capital Improvements Program.
- **Tolend Road Landfill Closure** – To account for the revenues from bond and loan proceeds, insurance proceeds, and federal and state grant funding and the related expenditures for the design and construction costs of the closure of a landfill containing hazardous waste.
- **Cocheco River Dredge** – To account for the revenue from bond anticipation note proceeds and revenue from the placement of dredge spoils and the related expenditures for the design, construction and closure costs of a dredge spoils cell for the Cocheco River.
- **Recreation Field Construction** – To account for the revenue from the sale of gravel and the related expenditures for authorized recreation or other qualified projects.

## Non-Major Governmental Funds

## Combining Balance Sheet

June 30, 2009

	Special Revenue Funds				
	Community Development Fund	CDBG Recovery Fund	Housing Rehab Loan Fund	Economic Development Loan Fund	Police DOJ Fund
<b>ASSETS</b>					
Cash and short-term investments					
Investments					
Departmental receivable					
Intergovernmental receivables					\$ 24,303
Loans receivable			\$ 181,102	\$ 219,558	
Due from other funds			137,389	291,574	
Inventory					
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 318,491</b>	<b>\$ 511,132</b>	<b>\$ 24,303</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 22,962		\$ 796	\$ 534	\$ 1,264
Accrued liabilities	5,431				9,350
Retainage payable					
Deferred revenue			181,103	219,127	
Due to other funds	116,698				8,756
Advance from other fund					
Compensated absences					
<b>Total Liabilities</b>	<b>145,091</b>	<b>-</b>	<b>181,899</b>	<b>219,661</b>	<b>19,370</b>
<b>Fund Balances:</b>					
Reserved for encumbrances	21,886	\$ 6,468	62,190		2,153
Reserved for inventory					
Reserved for expenditures					
Unreserved:					
Undesignated, reported in:					
Special revenue fund	(166,977)	(6,468)	74,402	291,471	2,780
Capital projects fund					
<b>Total Fund Balances (Deficit)</b>	<b>(145,091)</b>	<b>-</b>	<b>136,592</b>	<b>291,471</b>	<b>4,933</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 318,491</b>	<b>\$ 511,132</b>	<b>\$ 24,303</b>

Special Revenue Funds

Homeland Security Fund	Police DHA Fund	Police DOT Fund	DHHS Assistance Programs	Police Tobacco Fund	Emergency Management Fund	Radiology Emergency Response
\$ 119,228			\$ 12,333		\$ 12,119	
	\$ 13,678		31,329	\$ 62,296	63,919	
<u>\$ 119,228</u>	<u>\$ 13,678</u>	<u>\$ -</u>	<u>\$ 43,662</u>	<u>\$ 62,296</u>	<u>\$ 76,038</u>	<u>\$ -</u>
	\$ 2,647	\$ 1,457 215	\$ 1,946 929	\$ 1,487	\$ 486	
\$ 155,568		6,033				\$ 7,818
<u>155,568</u>	<u>2,647</u>	<u>7,705</u>	<u>2,875</u>	<u>1,487</u>	<u>486</u>	<u>7,818</u>
					5,076	
(36,340)	11,031	(7,705)	40,787	60,809	70,476	(7,818)
<u>(36,340)</u>	<u>11,031</u>	<u>(7,705)</u>	<u>40,787</u>	<u>60,809</u>	<u>75,552</u>	<u>(7,818)</u>
<u>\$ 119,228</u>	<u>\$ 13,678</u>	<u>\$ -</u>	<u>\$ 43,662</u>	<u>\$ 62,296</u>	<u>\$ 76,038</u>	<u>\$ -</u>



	Special Revenue Funds				
	DOI Fund	EPA Fund	School Cafeteria Fund	School Federal Aid Fund	School Special Programs Fund
<b>ASSETS</b>					
Investments					
Departmental receivable			\$ 2,094		
Intergovernmental receivables			41,511	\$ 442,276	\$ 99,994
Loans receivable					
Due from other funds	\$ 8,526				
Inventory			26,807		
Total Assets	<u>\$ 8,526</u>	<u>\$ -</u>	<u>\$ 70,412</u>	<u>\$ 442,276</u>	<u>\$ 99,994</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable		\$ 14,730	\$ 9,034		
Accrued liabilities					
Retainage payable					
Deferred revenue					\$ 657
Due to other funds		30,704	37,683	\$ 401,829	96,218
Advance from other fund					
Compensated absences					
Total Liabilities	<u>-</u>	<u>45,434</u>	<u>46,717</u>	<u>401,829</u>	<u>96,875</u>
Fund Balances:					
Reserved for encumbrances		16,780		37,671	
Reserved for inventory			26,807		
Reserved for expenditures					
Unreserved:					
Undesignated, reported in:					
Special revenue fund	\$ 8,526	(62,214)	(3,112)	2,776	3,119
Capital projects fund					
Total Fund Balances (Deficit)	<u>8,526</u>	<u>(45,434)</u>	<u>23,695</u>	<u>40,447</u>	<u>3,119</u>
Total Liabilities and Fund Balances	<u>\$ 8,526</u>	<u>\$ -</u>	<u>\$ 70,412</u>	<u>\$ 442,276</u>	<u>\$ 99,994</u>

Special Revenue Funds

Dover Main Street Fund	Planning Improvements Fund	Police and Fire Detail	Parking Activity Fund	Police Special Fund	Conservation Fund	Residential Solid Waste Fund
		\$ 58,375	\$ 3,000		\$ 26,032	\$ 57,822
	\$ 217,729	45,701	77,111	\$ 50,670	466,243	89,293
						23,043
<u>\$ -</u>	<u>\$ 217,729</u>	<u>\$ 104,076</u>	<u>\$ 80,111</u>	<u>\$ 50,670</u>	<u>\$ 492,275</u>	<u>\$ 170,158</u>
\$ 603	\$ 2,848	\$ 10,400	\$ 1,605 5,020			\$ 84,726 2,064
3,142						
<u>3,745</u>	<u>2,848</u>	<u>10,400</u>	<u>6,625</u>	<u>-</u>	<u>-</u>	<u>86,790</u>
	17,044	100	915		\$ 222	74,834 23,043
(3,745)	197,837	93,576	72,571	\$ 50,670	492,053	(14,509)
<u>(3,745)</u>	<u>214,881</u>	<u>93,676</u>	<u>73,486</u>	<u>50,670</u>	<u>492,275</u>	<u>83,368</u>
<u>\$ -</u>	<u>\$ 217,729</u>	<u>\$ 104,076</u>	<u>\$ 80,111</u>	<u>\$ 50,670</u>	<u>\$ 492,275</u>	<u>\$ 170,158</u>

	Special Revenue Funds				
	McConnell Center Fund	Recreation Programs Fund	Recreation Field Maintenance Fund	Library Fines Fund	Tuition Programs Fund
<b>ASSETS</b>					
Cash and short-term investments					
Investments					
Departmental receivable	\$ 27,534	\$ 363			\$ 1,390
Intergovernmental receivables					12,900
Loans receivable					
Due from other funds		324,171	\$ 50,755	\$ 58,452	
Inventory					
Total Assets	<u>\$ 27,534</u>	<u>\$ 324,534</u>	<u>\$ 50,755</u>	<u>\$ 58,452</u>	<u>\$ 14,290</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 20,257	\$ 10,811	\$ 2,671	\$ 5,658	
Accrued liabilities	1,386	4,317			
Retainage payable					
Deferred revenue					
Due to other funds					\$ 975
Advance from other fund	640,141				
Compensated absences					
Total Liabilities	<u>661,784</u>	<u>15,128</u>	<u>2,671</u>	<u>5,658</u>	<u>975</u>
Fund Balances:					
Reserved for encumbrances	5,303	6,491	8,487	24	
Reserved for inventory					
Reserved for expenditures					
Unreserved:					
Undesignated, reported in:					
Special revenue fund	(639,553)	302,915	39,597	52,770	13,315
Capital projects fund					
Total Fund Balances (Deficit)	<u>(634,250)</u>	<u>309,406</u>	<u>48,084</u>	<u>52,794</u>	<u>13,315</u>
Total Liabilities and Fund Balances	<u>\$ 27,534</u>	<u>\$ 324,534</u>	<u>\$ 50,755</u>	<u>\$ 58,452</u>	<u>\$ 14,290</u>



Special Revenue Funds					Capital Projects Funds	
Vocational Center Fund	School Alternative Education Fund	School Facilities Fund	Other Special Revenue Funds	Subtotals	CIP FY10	CIP FY09
			\$ 2,564,863	\$ 2,564,863		
			1,727,950	1,727,950		
	\$ 13,510	\$ 11,989	186,467	388,576		
				764,664		
				400,660		
\$ 906	107,613	120,029		2,217,384		\$ 3,738,881
				49,850		
<u>\$ 906</u>	<u>\$ 121,123</u>	<u>\$ 132,018</u>	<u>\$ 4,479,280</u>	<u>\$ 8,113,947</u>	<u>\$ -</u>	<u>\$ 3,738,881</u>
	\$ 491	\$ 489	\$ 354	\$ 182,633	\$ 10,394	\$ 18,140
				44,335		151
				400,887		16,075
			758,383	1,623,807	825,209	
				640,141		
			74,250	74,250		
<u>-</u>	<u>491</u>	<u>489</u>	<u>832,987</u>	<u>2,966,053</u>	<u>835,603</u>	<u>34,366</u>
	1,087	12,420	18,300	297,451		659,209
				49,850		
			73,003	73,003		
\$ 906	119,545	119,109	3,554,990	4,727,590		
					(835,603)	3,045,306
<u>906</u>	<u>120,632</u>	<u>131,529</u>	<u>3,646,293</u>	<u>5,147,894</u>	<u>(835,603)</u>	<u>3,704,515</u>
<u>\$ 906</u>	<u>\$ 121,123</u>	<u>\$ 132,018</u>	<u>\$ 4,479,280</u>	<u>\$ 8,113,947</u>	<u>\$ -</u>	<u>\$ 3,738,881</u>

Capital Projects Funds

	CIP FY08	CIP FY07	CIP FY06	CIP FY05	CIP FY04
<b>ASSETS</b>					
Cash and short-term investments					
Investments					
Departmental receivable					
Intergovernmental receivables		\$ 253,972		\$ 1,129,500	
Loans receivable					
Due from other funds	\$ 2,640,227	1,157,213	\$ 285,867		\$ 942,937
Inventory					
Total Assets	<u>\$ 2,640,227</u>	<u>\$ 1,411,185</u>	<u>\$ 285,867</u>	<u>\$ 1,129,500</u>	<u>\$ 942,937</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 66,448	\$ 474,163	\$ 3,083	\$ 114,670	
Accrued liabilities	398				
Retainage payable		49,850		69,903	
Deferred revenue					
Due to other funds				1,460,969	
Advance from other fund					
Compensated absences					
Total Liabilities	<u>66,846</u>	<u>524,013</u>	<u>3,083</u>	<u>1,645,542</u>	<u>-</u>
Fund Balances:					
Reserved for encumbrances	1,487,909	2,563,830	20,433	106,647	\$ 4,856
Reserved for inventory					
Reserved for expenditures					
Unreserved:					
Undesignated, reported in:					
Special revenue fund					
Capital projects fund	1,085,472	(1,676,658)	262,351	(622,689)	938,081
Total Fund Balances (Deficit)	<u>2,573,381</u>	<u>887,172</u>	<u>282,784</u>	<u>(516,042)</u>	<u>942,937</u>
Total Liabilities and Fund Balances	<u>\$ 2,640,227</u>	<u>\$ 1,411,185</u>	<u>\$ 285,867</u>	<u>\$ 1,129,500</u>	<u>\$ 942,937</u>

Capital Projects Funds

CIP FY03	CIP FY02	CIP FY01	CIP FY00	Tolend Rd Landfill Closure	Cocheco River Dredge	Recreation Field Construction
\$ 64,780	\$ 3,825	\$ 98,177		\$ 4,245,527		\$ 602,612
<u>\$ 64,780</u>	<u>\$ 3,825</u>	<u>\$ 98,177</u>	<u>\$ -</u>	<u>\$ 4,245,527</u>	<u>\$ -</u>	<u>\$ 602,612</u>
\$ 9,000	\$ 748		\$ 505	\$ 1,611	\$ 981	\$ 7,811
301	2,725				1,107	
			41,104		178,552	
<u>9,301</u>	<u>3,473</u>	<u>-</u>	<u>41,609</u>	<u>1,611</u>	<u>180,640</u>	<u>7,811</u>
9,000	748				640,215	1,000
46,479	(396)	\$ 98,177	(41,609)	4,243,916	(820,855)	593,801
<u>55,479</u>	<u>352</u>	<u>98,177</u>	<u>(41,609)</u>	<u>4,243,916</u>	<u>(180,640)</u>	<u>594,801</u>
<u>\$ 64,780</u>	<u>\$ 3,825</u>	<u>\$ 98,177</u>	<u>\$ -</u>	<u>\$ 4,245,527</u>	<u>\$ -</u>	<u>\$ 602,612</u>



	Capital Projects Funds	
	Subtotals	Total
<b>ASSETS</b>		
Cash and short-term investments		\$ 2,564,863
Investments		1,727,950
Departmental receivable		388,576
Intergovernmental receivables	\$ 1,383,472	2,148,136
Loans receivable		400,660
Due from other funds	13,780,046	15,997,430
Inventory		49,850
Total Assets	<u>\$ 15,163,518</u>	<u>\$ 23,277,465</u>

#### LIABILITIES AND FUND BALANCES

Liabilities:		
Accounts payable	\$ 705,943	\$ 888,576
Accrued liabilities	2,160	46,495
Retainage payable	139,961	139,961
Deferred revenue		400,887
Due to other funds	2,505,834	4,129,641
Advance from other fund		640,141
		74,250
Total Liabilities	<u>3,353,898</u>	<u>6,319,951</u>
Fund Balances:		
Reserved for encumbrances	5,493,847	5,791,298
Reserved for inventory		49,850
Reserved for expenditures		73,003
Unreserved:		
Undesignated, reported in:		
Special revenue fund		4,727,590
Capital projects fund	6,315,773	6,315,773
Total Fund Balances (Deficit)	<u>11,809,620</u>	<u>16,957,514</u>
Total Liabilities and Fund Balances	<u>\$ 15,163,518</u>	<u>\$ 23,277,465</u>

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**Non-Major Governmental Funds****Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances**

For Fiscal Year Ended June 30, 2009

	Special Revenue Funds				
	Community Development Fund	CDBG Recovery Fund	Housing Rehab Loan Fund	Economic Development Loan Fund	Police DOJ Fund
Revenues:					
Taxes					
Licenses and permits					
Intergovernmental	\$ 342,853				\$ 233,140
Current services	16,066		\$ 3,656	\$ 27,851	
Miscellaneous	2,550				
Total Revenues	<u>361,469</u>	<u>-</u>	<u>3,656</u>	<u>27,851</u>	<u>233,140</u>
Expenditures:					
Current:					
General government					
Public safety					479,774
Public works					
Culture and recreation					
Education					
Human services	418,963		23,045		
Debt service					
Total Expenditures	<u>418,963</u>	<u>-</u>	<u>23,045</u>	<u></u>	<u>479,774</u>
Excess (deficiency) of revenues over expenditures	(57,494)		(19,389)	27,851	(246,634)
Other Financing Sources:					
Bond proceeds					
Transfers in					231,076
Net change in fund balances	(57,494)		(19,389)	27,851	(15,558)
Fund Balances, Beginning (Deficit)	<u>(87,597)</u>	<u></u>	<u>155,981</u>	<u>263,620</u>	<u>20,491</u>
Fund Balances, Ending (Deficit)	<u>\$ (145,091)</u>	<u>\$ -</u>	<u>\$ 136,592</u>	<u>\$ 291,471</u>	<u>\$ 4,933</u>



Special Revenue Funds

Homeland Security Fund	Police DHA Fund	Police DOT Fund	DHHS Assistance Programs	Police Tobacco Fund	Emergency Management Fund
\$ 148,644	\$ 142,902	\$ 38,653	\$ 48,333	\$ 102,466 4,105	
<u>148,644</u>	<u>142,902</u>	<u>38,653</u>	<u>48,333</u>	<u>106,571</u>	<u>-</u>
421,103	128,575	40,980	7,546	43,240	\$ 311,209
<u>421,103</u>	<u>128,575</u>	<u>40,980</u>	<u>7,546</u>	<u>43,240</u>	<u>311,209</u>
(272,459)	14,327	(2,327)	40,787	63,331	(311,209)
<u>272,409</u>		<u>7,280</u>			<u>38,567</u>
(50)	14,327	4,953	40,787	63,331	(272,642)
<u>(36,290)</u>	<u>(3,296)</u>	<u>(12,658)</u>		<u>(2,522)</u>	<u>348,194</u>
\$ <u>(36,340)</u>	\$ <u>11,031</u>	\$ <u>(7,705)</u>	\$ <u>40,787</u>	\$ <u>60,809</u>	\$ <u>75,552</u>

	Special Revenue Funds				
	Radiology Emergency Response	DOI Fund	EPA Fund	School Cafeteria Fund	School Federal Aid Fund
Revenues:					
Taxes					
Licenses and permits					
Intergovernmental	\$ 29,107			\$ 445,586	\$ 2,773,708
Current services				840,269	
Miscellaneous				48,377	
Total Revenues	<u>29,107</u>	<u>-</u>	<u>-</u>	<u>1,334,232</u>	<u>2,773,708</u>
Expenditures:					
Current:					
General government			\$ 51,500		
Public safety	36,925				
Public works					
Culture and recreation					
Education				1,318,478	2,876,670
Human services					
Debt service					
Total Expenditures	<u>36,925</u>	<u>-</u>	<u>51,500</u>	<u>1,318,478</u>	<u>2,876,670</u>
Excess (deficiency) of revenues over expenditures	(7,818)		(51,500)	15,754	(102,962)
Other Financing Sources:					
Bond proceeds					
Transfers in			1,607		
Net change in fund balances	(7,818)		(49,893)	15,754	(102,962)
Fund Balances, Beginning (Deficit)	<u></u>	\$ 8,526	4,459	7,941	143,409
Fund Balances, Ending (Deficit)	<u>\$ (7,818)</u>	<u>\$ 8,526</u>	<u>\$ (45,434)</u>	<u>\$ 23,695</u>	<u>\$ 40,447</u>

Special Revenue Funds					
Special Programs Fund	Dover Main Street Fund	Planning Improvements Fund	Police and Fire Detail	Parking Activity Fund	Police Special Fund
					\$ 1,819
\$ 581,585	\$ 19,377	\$ 23,789	\$ 237,818	\$ 300,481	
		10,000		1,335	2,949
<u>581,585</u>	<u>19,377</u>	<u>33,789</u>	<u>237,818</u>	<u>301,816</u>	<u>4,768</u>
	21,731				
		67,414	227,960	291,070	2,837
581,585					
<u>581,585</u>	<u>21,731</u>	<u>67,414</u>	<u>227,960</u>	<u>291,070</u>	<u>2,837</u>
	(2,354)	(33,625)	9,858	10,746	1,931
		(248,591)			
	(2,354)	(282,216)	9,858	10,746	1,931
3,119	(1,391)	497,097	83,818	62,740	48,739
<u>\$ 3,119</u>	<u>\$ (3,745)</u>	<u>\$ 214,881</u>	<u>\$ 93,676</u>	<u>\$ 73,486</u>	<u>\$ 50,670</u>

Special Revenue Funds					
	Conservation Fund	Solid Waste Fund	McConnell Center Fund	Recreation Programs Fund	Field Maintenance Fund
Revenues:					
Taxes	\$ 229,055				
Licenses and permits					
Intergovernmental	85,000				
Current services		\$ 961,677	\$ 244,315	\$ 223,551	\$ 36,251
Miscellaneous		401			
Total Revenues	<u>314,055</u>	<u>962,078</u>	<u>244,315</u>	<u>223,551</u>	<u>36,251</u>
Expenditures:					
Current:					
General government	4,036				
Public safety					
Public works		945,883			
Culture and recreation			429,577	203,587	32,511
Education					
Human services					
Debt service			403,856		
Total Expenditures	<u>4,036</u>	<u>945,883</u>	<u>833,433</u>	<u>203,587</u>	<u>32,511</u>
Excess (deficiency) of revenues over expenditures	310,019	16,195	(589,118)	19,964	3,740
Other Financing Sources:					
Bond proceeds					
Transfers in			384,570	15,500	
Net change in fund balances	310,019	16,195	(204,548)	35,464	3,740
Fund Balances, Beginning (Deficit)	<u>182,256</u>	<u>67,173</u>	<u>(429,702)</u>	<u>273,942</u>	<u>44,344</u>
Fund Balances, Ending (Deficit)	<u>\$ 492,275</u>	<u>\$ 83,368</u>	<u>\$ (634,250)</u>	<u>\$ 309,406</u>	<u>\$ 48,084</u>



**Special Revenue Funds**

Library Fines Fund	Tuition Programs Fund	Vocational Center Fund	Alternative Education Fund	School Facilities Fund	Special Revenue Funds	Subtotals
					\$ 186,387	\$ 229,055
	\$ 12,900					188,206
	361,135		\$ 318,680	\$ 132,517	9,398	4,403,292
\$ 46,894					161,287	4,389,415
						226,899
<u>46,894</u>	<u>374,035</u>	<u>-</u>	<u>318,680</u>	<u>132,517</u>	<u>357,072</u>	<u>9,436,867</u>
					13,822	91,089
					36,210	2,027,429
					1,150	1,014,447
53,292					22,022	740,989
	402,963		765,994	101,127		6,046,817
						442,008
						403,856
<u>53,292</u>	<u>402,963</u>	<u>-</u>	<u>765,994</u>	<u>101,127</u>	<u>73,204</u>	<u>10,766,635</u>
(6,398)	(28,928)		(447,314)	31,390	283,868	(1,329,768)
			447,000		(228,997)	920,421
(6,398)	(28,928)		(314)	31,390	54,871	(409,347)
<u>59,192</u>	<u>42,243</u>	<u>\$ 906</u>	<u>120,946</u>	<u>100,139</u>	<u>3,591,422</u>	<u>5,557,241</u>
<u>\$ 52,794</u>	<u>\$ 13,315</u>	<u>\$ 906</u>	<u>\$ 120,632</u>	<u>\$ 131,529</u>	<u>\$ 3,646,293</u>	<u>\$ 5,147,894</u>

Capital Projects Funds					
	CIP FY10	CIP FY09	CIP FY08	CIP FY07	CIP FY06
Revenues:					
Taxes					
Licenses and permits					
Intergovernmental				\$ 950,414	\$ 513,837
Current services					
Miscellaneous			\$ 17,690	717,329	250,000
Total Revenues	<u>-</u>	<u>-</u>	<u>17,690</u>	<u>1,667,743</u>	<u>763,837</u>
Expenditures:					
Current:					
General government					
Public safety	\$ 825,253		1,974,592		(100)
Public works		\$ 192,637	629,503	2,066,778	564,125
Culture and recreation	10,350		281		553
Education		285,077	1,087,636	879,489	48,236
Human services					
Debt service					
Total Expenditures	<u>835,603</u>	<u>477,714</u>	<u>3,692,012</u>	<u>2,946,267</u>	<u>612,814</u>
Excess (deficiency) of revenues over expenditures	(835,603)	(477,714)	(3,674,322)	(1,278,524)	151,023
Other Financing Sources:					
Bond proceeds		4,195,000	250,000	200,000	
Transfers in			328,997	248,591	
Net change in fund balances	(835,603)	3,717,286	(3,095,325)	(829,933)	151,023
Fund Balances, Beginning (Deficit)	<u>(12,771)</u>	<u>(12,771)</u>	<u>5,668,706</u>	<u>1,717,105</u>	<u>131,761</u>
Fund Balances, Ending (Deficit)	<u>\$ (835,603)</u>	<u>\$ 3,704,515</u>	<u>\$ 2,573,381</u>	<u>\$ 887,172</u>	<u>\$ 282,784</u>

Capital Projects Funds

CIP FY05	CIP FY04	CIP FY03	CIP FY02	CIP FY01	CIP FY00
\$ 1,129,500		\$ 18,754			
<u>1,129,500</u>	<u>-</u>	<u>18,754</u>	<u>-</u>	<u>-</u>	<u>-</u>
	\$ (573)		\$ 573		\$ 9,594
1,950,614	32,078	3,289	4,852		
1,144	4,333	1,600			
3,537					
<u>1,955,295</u>	<u>35,838</u>	<u>4,889</u>	<u>5,425</u>	<u>-</u>	<u>9,594</u>
(825,795)	(35,838)	13,865	(5,425)		(9,594)
<u>(825,795)</u>	<u>(35,838)</u>	<u>13,865</u>	<u>(5,425)</u>		<u>(9,594)</u>
309,753	978,775	41,614	5,777	\$ 98,177	(32,015)
<u>\$ (516,042)</u>	<u>\$ 942,937</u>	<u>\$ 55,479</u>	<u>\$ 352</u>	<u>\$ 98,177</u>	<u>\$ (41,609)</u>

	Capital Projects Funds				Total
	Tolend Rd Landfill Closure	Cocheco River Dredge	Recreation Field Construction	Subtotals	
Revenues:					
Taxes					\$ 229,055
Licenses and permits					188,206
Intergovernmental				\$ 2,612,505	7,015,797
Current services					4,389,415
Miscellaneous			\$ 324,494	1,309,513	1,536,412
Total Revenues	<u>-</u>	<u>-</u>	<u>324,494</u>	<u>3,922,018</u>	<u>13,358,885</u>
Expenditures:					
Current:					
General government				9,594	100,683
Public safety				2,799,745	4,827,174
Public works	\$ 660,935	\$ 25,323		6,130,134	7,144,581
Culture and recreation			11,537	29,798	770,787
Education				2,303,975	8,350,782
Human services					442,008
Debt service					403,856
Total Expenditures	<u>660,935</u>	<u>25,323</u>	<u>11,537</u>	<u>11,273,246</u>	<u>22,039,881</u>
Excess (deficiency) of revenues over expenditures	(660,935)	(25,323)	312,957	(7,351,228)	(8,680,996)
Other Financing Sources:					
Bond proceeds	3,900,000			8,545,000	8,545,000
Transfers in				577,588	1,498,009
Net change in fund balances	3,239,065	(25,323)	312,957	1,771,360	1,362,013
Fund Balances, Beginning (Deficit)	<u>1,004,851</u>	<u>(155,317)</u>	<u>281,844</u>	<u>10,038,260</u>	<u>15,595,501</u>
Fund Balances, Ending (Deficit)	<u>\$ 4,243,916</u>	<u>\$ (180,640)</u>	<u>\$ 594,801</u>	<u>\$ 11,809,620</u>	<u>\$ 16,957,514</u>



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## **Detail and Combining Budget and Actual Schedules**

### **General Fund**

The general fund is established to account for all resources obtained and used for those services commonly provided by the City which are not accounted for in any other fund. These services include, among other items: General government, public safety, public works, culture and recreation, education, human services, inter-governmental and debt service. The primary sources of revenue of the general fund are property taxes, unrestricted state revenue sharing grants, certain restricted grants, and fees for services rendered.

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	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Current Services				
Sales and service charges	134,075	1,251,007	1,082,133	(168,874)
Copy sales	400	400	429	29
Vending machine sales		4,100	5,549	1,449
Commissions		5,050	5,430	380
Ambulance services	659,000	659,000	651,708	(7,292)
Interment charges	47,750	47,750	37,215	(10,535)
Headstone foundations	5,000	5,000	4,550	(450)
Pro shop		15,000	14,871	(129)
Recreation charges	144,255	499,149	386,465	(112,684)
Non-resident charges	19,600	19,600	22,195	2,595
Food sales		69,500	55,949	(13,551)
Vending sales		23,433	15,880	(7,553)
Department overhead allocations	332,300	332,300	314,800	(17,500)
Miscellaneous service charges	43,155	43,155	63,369	20,214
Total Current Services	<u>1,385,535</u>	<u>2,974,444</u>	<u>2,660,543</u>	<u>(313,901)</u>
Education				
Education revenue	12,389,888	12,389,888	12,134,104	(255,784)
Total Education Income	<u>12,389,888</u>	<u>12,389,888</u>	<u>12,134,104</u>	<u>(255,784)</u>
Miscellaneous				
Miscellaneous revenue	162,200	162,800	207,591	44,791
District court receipts	25,000	25,000	31,586	6,586
Miscellaneous fines and forfeits	20,550	20,550	16,934	(3,616)
Insurance proceeds			210	210
Sale of city property	43,925	43,925	43,429	(496)
Fundraising	500	500		(500)
Investment income	724,471	724,471	252,958	(471,513)
Facilities rental	140,482	170,146	191,805	21,659
Interest on arrears			8,042	8,042
Equipment rental	8,000	8,000	1,953	(6,047)
Total Miscellaneous	<u>1,125,128</u>	<u>1,155,392</u>	<u>754,508</u>	<u>(400,884)</u>
Other Financing Sources				
Use of fund balance				
Transfers in	50,000	50,000		(50,000)
Total Other Financing Sources	<u>50,000</u>	<u>50,000</u>		<u>(50,000)</u>
Total Revenues and Other Financing Sources	<u>\$ 79,948,061</u>	<u>\$ 81,567,234</u>	<u>\$ 80,754,836</u>	<u>\$ (812,398)</u>

## Detail Schedule of Expenditures and Other Financing Uses Budget and Actual - General Fund

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government				
City Council	\$ 169,096	\$ 169,096	\$ 155,774	\$ 13,322
Executive	979,026	979,026	969,186	9,840
Finance	1,167,001	1,167,001	1,144,185	22,816
Planning	445,954	475,954	471,697	4,257
Miscellaneous	849,357	849,357	738,115	111,242
Total General Government	<u>3,610,434</u>	<u>3,640,434</u>	<u>3,478,957</u>	<u>161,477</u>
Public Safety				
Police	6,422,037	6,293,037	6,239,961	53,076
Fire and rescue	6,228,171	6,307,171	6,303,903	3,268
Total Public Safety	<u>12,650,208</u>	<u>12,600,208</u>	<u>12,543,864</u>	<u>56,344</u>
Public Works				
Community Services - Public Works	5,322,246	5,372,195	5,089,831	282,364
Total Public Works	<u>5,322,246</u>	<u>5,372,195</u>	<u>5,089,831</u>	<u>282,364</u>
Culture and Recreation				
Recreation	1,310,221	2,964,394	2,813,673	150,721
Public Library	1,074,129	1,074,129	1,071,632	2,497
Total Culture and Recreation	<u>2,384,350</u>	<u>4,038,523</u>	<u>3,885,305</u>	<u>153,218</u>
Human Services				
Human Services	717,702	717,702	701,255	16,447
Total Human Services	<u>717,702</u>	<u>717,702</u>	<u>701,255</u>	<u>16,447</u>
Education				
School Department	39,216,997	39,216,997	38,897,921	319,076
Total Education	<u>39,216,997</u>	<u>39,216,997</u>	<u>38,897,921</u>	<u>319,076</u>

(continued)

(continued)

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Debt Service				
Principal	5,858,704	5,858,704	5,858,704	
Interest	3,250,148	3,250,148	3,163,928	86,220
Total Debt Service	<u>9,108,852</u>	<u>9,108,852</u>	<u>9,022,632</u>	<u>86,220</u>
Intergovernmental				
County tax	6,837,272	6,772,323	6,772,323	-
Total Intergovernmental	<u>6,837,272</u>	<u>6,772,323</u>	<u>6,772,323</u>	
Transfers				
Transfer out	100,000	100,000	1,248,866	(1,148,866)
Total Transfers	<u>100,000</u>	<u>100,000</u>	<u>1,248,866</u>	<u>(1,148,866)</u>
Total Expenditures and Other Financing Uses	<u>\$ 79,948,061</u>	<u>\$ 81,567,234</u>	<u>\$ 81,640,954</u>	<u>\$ (73,720)</u>

## Combining Schedule of Revenues and Expenditures Budget and Actual

### Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2009

	Parking Activity		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Charges for services	\$ 318,374	\$ 142,631	\$ (175,743)
Intergovernmental			
Miscellaneous		159,472	159,472
Other financing sources			
Total Revenues	<u>318,374</u>	<u>302,103</u>	<u>(16,271)</u>
Expenditures:			
Public safety	318,374	281,851	36,523
Education			
Public works			
Culture and recreation			
Debt service			
Total Expenditures	<u>318,374</u>	<u>281,851</u>	<u>36,523</u>
Revenues and other financing sources over (under) expenditures	\$ <u>-</u>	\$ <u>20,252</u>	\$ <u>20,252</u>



Residential Solid Waste			Library Fines		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 1,113,486	\$ 961,938	\$ (151,548)	\$ 40,184	\$ 46,894	\$ 6,710
	401	401			
			57,059		(57,059)
<u>1,113,486</u>	<u>962,339</u>	<u>(151,147)</u>	<u>97,243</u>	<u>46,894</u>	<u>(50,349)</u>
1,113,486	946,149	167,337	97,243	53,315	43,928
<u>1,113,486</u>	<u>946,149</u>	<u>167,337</u>	<u>97,243</u>	<u>53,315</u>	<u>43,928</u>
\$ <u>-</u>	\$ <u>16,190</u>	\$ <u>16,190</u>	\$ <u>-</u>	\$ <u>(6,421)</u>	\$ <u>(6,421)</u>

## Combining Schedule of Revenues and Expenditures Budget and Actual

### Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2009

	Tuition Programs		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Charges for services	\$ 348,761	\$ 361,136	\$ 12,375
Intergovernmental		12,900	12,900
Miscellaneous revenue			
Other financing sources			
Total Revenues	<u>348,761</u>	<u>374,036</u>	<u>25,275</u>
Expenditures:			
Public safety			
Education	348,761	402,963	(54,202)
Public works			
Culture and recreation			
Debt service			
Total Expenditures	<u>348,761</u>	<u>402,963</u>	<u>(54,202)</u>
Revenues and other financing sources over (under) expenditures	\$ <u>-</u>	\$ <u>(28,927)</u>	\$ <u>(28,927)</u>

School Alternative Education			School Facilities		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 382,500	\$ 318,680	\$ (63,820)	\$ 117,075	\$ 19,972	\$ (97,103)
				112,545	112,545
<u>447,000</u>	<u>447,000</u>				
<u>829,500</u>	<u>765,680</u>	<u>(63,820)</u>	<u>117,075</u>	<u>132,517</u>	<u>15,442</u>
829,500	732,610	96,890	117,075	105,426	11,649
<u>829,500</u>	<u>732,610</u>	<u>96,890</u>	<u>117,075</u>	<u>105,426</u>	<u>11,649</u>
\$ <u>-</u>	\$ <u>33,070</u>	\$ <u>33,070</u>	\$ <u>-</u>	\$ <u>27,091</u>	\$ <u>27,091</u>

## Combining Schedule of Revenues and Expenditures Budget and Actual

### Annually Budgeted Non-Major Governmental Funds

For the Year Ended June 30, 2009

	McConnell Center		Variance
	Budget	Actual	Positive (Negative)
Revenues:			
Charges for services	\$ 731,096	\$ 244,515	\$ (486,581)
Intergovernmental			
Miscellaneous			
Other financing sources	14,566	384,570	370,004
Total Revenues	<u>745,662</u>	<u>629,085</u>	<u>(116,577)</u>
Expenditures:			
Public safety			
Education			
Public works			
Culture and recreation	341,805	390,088	(48,283)
Debt service	403,857	403,856	1
Total Expenditures	<u>745,662</u>	<u>793,944</u>	<u>(48,282)</u>
Revenues and other financing source over (under) expenditures	<u>\$ -</u>	<u>\$ (164,859)</u>	<u>\$ (164,859)</u>



Police DHA Fund			School Cafeteria		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 100,000	\$ 136,310	36,310	\$ 1,361,022	\$ 840,269 487,905	\$ (520,753) 487,905
<u>100,000</u>	<u>136,310</u>	<u>36,310</u>	<u>1,361,022</u>	<u>1,328,174</u>	<u>(32,848)</u>
100,000	125,278	(25,278)	1,361,022	1,318,478	42,544
<u>100,000</u>	<u>125,278</u>	<u>(25,278)</u>	<u>1,361,022</u>	<u>1,318,478</u>	<u>42,544</u>
\$ <u>-</u>	\$ <u>11,032</u>	\$ <u>11,032</u>	\$ <u>-</u>	\$ <u>9,696</u>	\$ <u>9,696</u>

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## **Enterprise Funds**

Enterprise Funds were established to account for activities that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the activity be self-supporting based on user charges.

The City of Dover has the following Enterprise Funds:

Water Fund: To account for the operation of a water treatment plant, City wells and water system.

Sewer Fund: To account for the operation of a sewer treatment plant, pumping station and sewer lines.

Arena Fund: To account for the operations of the Dover Ice Arena. In 2009 this fund was transferred to the General Fund.

DBIDA Fund: To account for the economic development projects of the Dover Business Industrial Development Authority (DBIDA), which operates under RSA 162-G.

No annual budget is adopted for the DBIDA Fund.

## Enterprise Funds

## Schedule of Revenues and Expenses - Budget and Actual

For the Year Ended June 30, 2009

		Water Fund	
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 4,137,670	\$ 3,876,794	\$ (260,876)
Other	21,000	37,919	16,919
Total Operating Revenues	<u>4,158,670</u>	<u>3,914,713</u>	<u>(243,957)</u>
Operating Expenses:			
Personnel services	1,260,684	1,311,654	(50,970)
Purchased services	220,647	238,583	(17,936)
Supplies and materials	486,450	561,974	(75,524)
Minor equipment	94,770	58,000	36,770
Other	174,090	175,228	(1,138)
Depreciation	974,298	575,562	398,736
Total Operating Expenses	<u>3,210,939</u>	<u>2,921,001</u>	<u>289,938</u>
Operating Income (Loss)	<u>947,731</u>	<u>993,712</u>	<u>45,981</u>
Non-Operating Income (Expenses):			
Interest expense	(497,731)	(476,735)	20,996
Intergovernmental			
Total Non-Operating Income (Expenses)	<u>(497,731)</u>	<u>(476,735)</u>	<u>20,996</u>
Net Income (Loss) Before Transfers	<u>450,000</u>	<u>516,977</u>	<u>66,977</u>
Other Financing Sources and Uses:			
Use of retained earnings			-
Transfers out	(450,000)	(450,000)	
Total Other Financing Sources and Uses	<u>(450,000)</u>	<u>(450,000)</u>	<u>-</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ 66,977</u>	<u>\$ 66,977</u>



	Sewer Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 4,262,654	\$ 3,853,083	\$ (409,571)
Other	32,000	39,923	7,923
Total Operating Revenues	<u>4,294,654</u>	<u>3,893,006</u>	<u>(401,648)</u>
Operating Expenses:			
Personnel services	1,313,456	1,555,733	(242,277)
Purchased services	220,287	216,139	4,148
Supplies and materials	939,824	960,031	(20,207)
Minor equipment	77,540	4,944	72,596
Other	147,400	158,149	(10,749)
Depreciation	1,897,220	2,133,365	(236,145)
Total Operating Expenses	<u>4,595,727</u>	<u>5,028,361</u>	<u>(432,634)</u>
Operating Income (Loss)	<u>(301,073)</u>	<u>(1,135,355)</u>	<u>(834,282)</u>
Non-Operating Income (Expenses):			
Interest expense	(579,345)	(535,469)	43,876
Intergovernmental	210,499	424,092	213,593
Total Non-Operating Income (Expenses)	<u>(368,846)</u>	<u>(111,377)</u>	<u>257,469</u>
Net Income (Loss) Before Transfers	<u>(669,919)</u>	<u>(1,246,732)</u>	<u>(576,813)</u>
Other Financing Sources and Uses:			
Use of retained earnings	1,069,919	1,069,919	-
Transfers out	(400,000)	(401,607)	(1,607)
Total Other Financing Sources and Uses	<u>669,919</u>	<u>668,312</u>	<u>(1,607)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ (578,420)</u>	<u>\$ (578,420)</u>

		Arena Fund	
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 1,588,909		\$ (1,588,909)
Other	30,264		(30,264)
Total Operating Revenues	<u>1,619,173</u>	<u>-</u>	<u>(1,619,173)</u>
Operating Expenses:			
Personnel services	546,251		546,251
Purchased services	117,773		117,773
Supplies and materials	453,250		453,250
Minor equipment			
Other	230,188		230,188
Depreciation	142,704		142,704
Total Operating Expenses	<u>1,490,166</u>	<u>-</u>	<u>1,490,166</u>
Operating Income (Loss)	<u>129,007</u>	<u>-</u>	<u>(129,007)</u>
Non-Operating Income (Expenses):			
Interest expense	(129,007)		129,007
Intergovernmental			
Total Non-Operating Income (Expenses)	<u>(129,007)</u>	<u>-</u>	<u>129,007</u>
Net Income (Loss) Before Transfers			
Other Financing Sources and Uses:			
Use of retained earnings			
Transfers in		\$ 1,148,866	1,148,866
Total Other Financing Sources and Uses		<u>1,148,866</u>	<u>1,148,866</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ 1,148,866</u>	<u>\$ 1,148,866</u>

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### **Internal Service Funds**

- **Dover Net Fund** – To account for the costs related to the operations of the information technology network and the allocation of these costs to the various funds and functions.
- **Central Stores Fund** – To account for the costs related to the supplies, copiers and postage and the allocation of these costs to the various funds and functions based on actual use.
- **Fleet Maintenance Fund** – To account for the maintenance costs related to the vehicle fleet and the allocation of these costs to the various funds and functions based on actual use.
- **Workers Compensation Fund** – To account for the cost of administration, insurance and claims for workers compensation and the allocation of these costs to the various funds and functions based on historical wage and claims history.



## Internal Service Funds

## Combining Statement of Net Assets

June 30, 2009

	Dover Net Fund	Central Stores Fund	Fleet Maintenance Fund	Workers Compensation Fund	Total
<b>ASSETS</b>					
Current:					
Departmental and other receivables	\$ 48,918		\$ 6,596		\$ 55,514
Due from other funds	420,761	\$ 50,660	99,771	\$ 830,963	1,402,155
Prepaid expenses			1,910		1,910
Inventory			41,463		41,463
Total Assets	<u>469,679</u>	<u>50,660</u>	<u>149,740</u>	<u>830,963</u>	<u>1,501,042</u>
<b>LIABILITIES</b>					
Current:					
Accounts payable	13,086	6,270	20,115	3,393	42,864
Accrued liabilities	4,252		8,734		12,986
Claims liability				249,444	249,444
Compensated absences	11,018		20,720		31,738
Total Current Liabilities	<u>28,356</u>	<u>6,270</u>	<u>49,569</u>	<u>252,837</u>	<u>337,032</u>
Non-current:					
Claims liability, net of current portion				265,016	265,016
Total Liabilities	<u>28,356</u>	<u>6,270</u>	<u>49,569</u>	<u>517,853</u>	<u>602,048</u>
<b>NET ASSETS</b>					
Restricted for capital projects	239,781				239,781
Unrestricted	<u>201,542</u>	<u>44,390</u>	<u>100,171</u>	<u>313,110</u>	<u>659,213</u>
Total Net Assets	<u>\$ 441,323</u>	<u>\$ 44,390</u>	<u>\$ 100,171</u>	<u>\$ 313,110</u>	<u>\$ 898,994</u>

**Internal Service Funds****Combining Statement of Revenues, Expenses  
and Changes in Fund Net Assets**

For Fiscal Year Ended June 30, 2009

	Dover Net Fund	Central Stores Fund	Fleet Maintenance Fund	Workers Compensation Fund	Total
Operating Revenues:					
Charges for services	\$ 244,181	\$ 81,936	\$ 579,088	\$ 398,642	\$ 1,303,847
Miscellaneous	309,560		16,532	923	327,015
Total Operating Revenues	<u>553,741</u>	<u>81,936</u>	<u>595,620</u>	<u>399,565</u>	<u>1,630,862</u>
Operating Expenses:					
Personal services	200,211		381,980	13,830	596,021
Purchased services	72,042	53,213	5,182	171,809	302,246
Supplies	5,850	33,961	11,910		51,721
Minor equipment	91,244		99		91,343
Other expenses			186,617	12,244	198,861
Total Operating Expenses	<u>369,347</u>	<u>87,174</u>	<u>585,788</u>	<u>197,883</u>	<u>1,240,192</u>
Operating Income (Loss)	<u>184,394</u>	<u>(5,238)</u>	<u>9,832</u>	<u>201,682</u>	<u>390,670</u>
Other Financing Sources (Uses)					
Transfer out	(39,627)				(39,627)
Intergovernmental	1,000				1,000
Total Other Financing Sources (Uses)	<u>(38,627)</u>				<u>(38,627)</u>
Change in Net Assets	145,767	(5,238)	9,832	201,682	352,043
Net Assets at Beginning of Year	<u>295,556</u>	<u>49,628</u>	<u>90,339</u>	<u>111,428</u>	<u>546,951</u>
Net Assets at End of Year	<u>\$ 441,323</u>	<u>\$ 44,390</u>	<u>\$ 100,171</u>	<u>\$ 313,110</u>	<u>\$ 898,994</u>

## Internal Service Funds

## Combining Statement of Cash Flows

For Fiscal Year Ended June 30, 2009

	Dover Net Fund	Central Stores Fund	Fleet Maintenance Fund	Workers Compensation Fund	Total
<b>Cash Flows From Operating Activities:</b>					
Receipts from customers and users for services	\$ 558,070	\$ 81,936	\$ 595,031	\$ 399,585	\$ 1,634,602
Payments to vendors and contractors	(164,643)	(87,034)	(189,024)	(181,098)	(621,799)
Payments of employee salaries and benefits	(195,856)		(377,307)	(96,039)	(669,204)
Receipts for interfund service provided		5,098			5,098
Payments for interfund service provided	(159,907)		(27,734)	(122,428)	(310,069)
Net Cash Provided By (Used For) Operating Activities	<u>37,662</u>	<u></u>	<u>966</u>	<u></u>	<u>38,628</u>
<b>Cash Flows From Noncapital Financing Activities:</b>					
Transfer out	(38,662)		(966)		(39,628)
Intergovernmental subsidy	1,000				1,000
Net Cash Provided By Noncapital Financing Activities	<u>(37,662)</u>	<u></u>	<u>(966)</u>	<u></u>	<u>(38,628)</u>
Cash and Short Term Investments, Beginning of Year					
Cash and Short Term Investments, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Reconciliation of Operating Income to Net Cash</b>					
Provided by (Used For) Operating Activities:					
Operating income (loss)	\$ 184,394	\$ (5,238)	\$ 9,832	\$ 201,682	\$ 390,670
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Changes in assets and liabilities:					
Inventory			14,118		14,118
Departmental and other receivables	4,329		(589)		3,740
Interfund receivables/payables	(159,907)	5,098	(27,734)	(122,428)	(304,971)
Other assets			(1,910)		(1,910)
Accounts payable	4,493	140	2,576	2,955	10,164
Accrued liabilities	1,544		2,519	(82,209)	(78,146)
Compensated absences	2,809		2,154		4,963
Net Cash Provided By (Used For) Operating Activities	<u>\$ 37,662</u>	<u>\$ -</u>	<u>\$ 966</u>	<u>\$ -</u>	<u>\$ 38,628</u>

## Internal Service Funds

## Schedule of Revenues and Expenses - Budget and Actual

For the Year Ended June 30, 2009

	Dover Net Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 243,946	\$ 244,181	\$ 235
Other revenue	250,500	309,560	59,060
Total Operating Revenues	<u>494,446</u>	<u>553,741</u>	<u>59,295</u>
Operating Expenses:			
Personnel services	259,180	190,307	68,873
Purchased services	120,336	85,550	34,786
Supplies and materials	6,500	5,850	650
Minor equipment	119,844	61,828	58,016
Other	900	945	(45)
Total Operating Expenses	<u>506,760</u>	<u>344,480</u>	<u>162,280</u>
Operating Income (Loss)	(12,314)	209,261	221,575
Non-Operating Income (Expenses)			
Intergovernmental		1,000	1,000
Net Income (Loss) before Transfers	<u>(12,314)</u>	<u>210,261</u>	<u>222,575</u>
Other Financing Sources and Uses			
Use of retained earnings	54,099		(54,099)
Transfers out	<u>(41,785)</u>	<u>(39,627)</u>	<u>2,158</u>
Total Other Financing Sources and Uses	<u>12,314</u>	<u>(39,627)</u>	<u>(51,941)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ 170,634</u>	<u>\$ 170,634</u>



	Central Stores Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 105,267	\$ 81,936	\$ (23,331)
Other revenue			
Total Operating Revenues	<u>105,267</u>	<u>81,936</u>	<u>(23,331)</u>
Operating Expenses:			
Personnel services			
Purchased services	67,217	53,213	14,004
Supplies and materials	38,050	34,601	3,449
Minor equipment			
Other			
Total Operating Expenses	<u>105,267</u>	<u>87,814</u>	<u>17,453</u>
Operating Income (Loss)		(5,878)	(5,878)
Non-Operating Income (Expenses)			
Intergovernmental			
Net Income (Loss) before Transfers		<u>(5,878)</u>	<u>(5,878)</u>
Other Financing Sources and Uses			
Use of retained earnings			
Transfers out			
Total Other Financing Sources and Uses			
Net Income (Loss)	\$ <u>-</u>	\$ <u>(5,878)</u>	\$ <u>(5,878)</u>

	Fleet Maintenance Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 489,363	\$ 579,088	\$ 89,725
Other revenue	42,319	16,532	(25,787)
Total Operating Revenues	<u>531,682</u>	<u>595,620</u>	<u>63,938</u>
Operating Expenses:			
Personnel services	392,286	381,980	10,306
Purchased services	3,391	5,182	(1,791)
Supplies and materials	16,800	15,731	1,069
Minor equipment	500	12,295	(11,795)
Other	161,024	174,373	(13,349)
Total Operating Expenses	<u>574,001</u>	<u>589,561</u>	<u>(15,560)</u>
Operating Income (Loss)	(42,319)	6,059	48,378
Non-Operating Income (Expenses)			
Intergovernmental	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net Income (Loss) before Transfers	<u>(42,319)</u>	<u>6,059</u>	<u>48,378</u>
Other Financing Sources and Uses			
Use of retained earnings	42,319	<u>                    </u>	(42,319)
Transfers out	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Other Financing Sources and Uses			
Net Income (Loss)	\$ <u>          -          </u>	\$ <u>          6,059          </u>	\$ <u>          6,059          </u>

Workers Compensation Fund			
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Charges for services	\$ 390,545	\$ 398,642	\$ 8,097
Other revenue		923	923
Total Operating Revenues	<u>390,545</u>	<u>399,565</u>	<u>9,020</u>
Operating Expenses:			
Personnel services	326,872	13,831	313,041
Purchased services	29,173	172,361	(143,188)
Supplies and materials			
Minor equipment			
Other	34,500	12,244	22,256
Total Operating Expenses	<u>390,545</u>	<u>198,436</u>	<u>192,109</u>
Operating Income (Loss)		201,129	201,129
Non-Operating Income (Expenses)			
Intergovernmental			
Net Income (Loss) before Transfers		<u>201,129</u>	<u>201,129</u>
Other Financing Sources and Uses			
Use of retained earnings			
Transfers out			
Total Other Financing Sources and Uses			
Net Income (Loss)	<u>\$ -</u>	<u>\$ 201,129</u>	<u>\$ 201,129</u>

## **Fiduciary Funds**

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds.

### **Agency Funds:**

- **Performance Bonds** – To account for funds received from contractors doing work for the City to insure the City against the contractor's failure to complete the request.
- **Chamber of Commerce** – To account for funds received from Chamber of Commerce for its Riverwalk Project.
- **Department Agency** – To account for funds received from other organizations for activities administered by various City departments.
- **School Agency** – To account for funds received from other organizations for activities administered by the Dover School Department.

### **Private Purpose Funds:**

- **Cemetery** – To account for private donations left in trust to maintain graves and provide flowers.
- **Parks and Recreation** – To account for private donations left in trust to assist individuals attending various recreational programs.
- **Welfare** – To account for private donations left in trust for the benefit of low or moderate income individuals.
- **School** – To account for private donations left in trust mainly for the benefit of providing scholarships to high school graduates.



**Agency Funds****Combining Statement of Assets and Liabilities**

June 30, 2009

	Performance Deposits	Chamber of Commerce	Department Agency	School Agency	Total
<b>ASSETS</b>					
Cash and short-term investments				\$ 302,115	\$ 302,115
Due from other funds	\$ 828,367	\$ 3,083	\$ 36,680	60,580	928,710
<b>Total Assets</b>	<b>\$ 828,367</b>	<b>\$ 3,083</b>	<b>\$ 36,680</b>	<b>\$ 362,695</b>	<b>\$ 1,230,825</b>
<b>LIABILITIES</b>					
Other liabilities	\$ 828,367	\$ 3,083	\$ 36,680	\$ 362,695	\$ 1,230,825
<b>Total Liabilities</b>	<b>\$ 828,367</b>	<b>\$ 3,083</b>	<b>\$ 36,680</b>	<b>\$ 362,695</b>	<b>\$ 1,230,825</b>

**Agency Funds****Combining Statement of Changes in Assets and Liabilities**

For the Fiscal Year Ended June 30, 2009

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
<b>Performance Deposits</b>				
Assets - due from other funds	\$ <u>800,606</u>	\$ <u>583,251</u>	\$ <u>(555,490)</u>	\$ <u>828,367</u>
Liabilities - other liabilities	\$ <u>800,606</u>	\$ <u>583,251</u>	\$ <u>(555,490)</u>	\$ <u>828,367</u>
<b>Chamber of Commerce</b>				
Assets - due from other funds	\$ <u>3,083</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,083</u>
Liabilities - other liabilities	\$ <u>3,083</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,083</u>
<b>Department Agency</b>				
Assets - due from other funds	\$ <u>29,527</u>	\$ <u>24,263</u>	\$ <u>(17,110)</u>	\$ <u>36,680</u>
Liabilities - other liabilities	\$ <u>29,527</u>	\$ <u>24,263</u>	\$ <u>(17,110)</u>	\$ <u>36,680</u>
<b>School Agency</b>				
Assets - cash	\$ <u>344,372</u>	\$ <u>201,542</u>	\$ <u>(243,799)</u>	\$ <u>302,115</u>
Assets - due from other funds	<u>14,590</u>	<u>75,007</u>	<u>(29,017)</u>	<u>60,580</u>
Total Assets	\$ <u>358,962</u>	\$ <u>276,549</u>	\$ <u>(272,816)</u>	\$ <u>362,695</u>
Liabilities - other liabilities	\$ <u>358,962</u>	\$ <u>276,549</u>	\$ <u>(272,816)</u>	\$ <u>362,695</u>
<b>Totals</b>				
Assets - cash	\$ <u>344,372</u>	\$ <u>201,542</u>	\$ <u>(243,799)</u>	\$ <u>302,115</u>
Assets - due from other funds	<u>847,806</u>	<u>682,521</u>	<u>(601,617)</u>	<u>928,710</u>
Total Assets	\$ <u>1,192,178</u>	\$ <u>884,063</u>	\$ <u>(845,416)</u>	\$ <u>1,230,825</u>
Liabilities - other liabilities	\$ <u>1,192,178</u>	\$ <u>884,063</u>	\$ <u>(845,416)</u>	\$ <u>1,230,825</u>

## Private Purpose Trust Funds

### Combining Statement of Fiduciary Net Assets

June 30, 2009

	Cemetery	Parks and Recreation	Welfare	School	Total
<b>ASSETS</b>					
Due from other funds	\$ 178,128	\$ 45,060	\$ 119,144	\$ 410,888	\$ 753,220
Total Assets	178,128	45,060	119,144	410,888	753,220
<b>LIABILITIES AND NET ASSETS</b>					
Accounts payable	_____	_____	_____	_____	_____
Total Liabilities	_____	_____	_____	_____	_____
<b>NET ASSETS</b>					
Total Net Assets Held in Trust	\$ <u>178,128</u>	\$ <u>45,060</u>	\$ <u>119,144</u>	\$ <u>410,888</u>	\$ <u>753,220</u>

# Private Purpose Trust Funds

## Combining Statement of Changes in Fiduciary Net Assets

For Fiscal Year Ended June 30, 2009

	Cemetery	Parks and Recreation	Welfare	School	Total
Additions:					
Contributions	\$ 19,030		\$ 1,500	\$ 31,729	\$ 52,259
Investment income	5,514	\$ 1,623	4,905	16,211	28,253
Total Additions	24,544	1,623	6,405	47,940	80,512
Deductions:					
Disbursements by agent	1,107	45	1,304	26,524	28,980
Total Deductions	1,107	45	1,304	26,524	28,980
Net Increase	23,437	1,578	5,101	21,416	51,532
Net Assets:					
Beginning of Year	154,691	43,482	114,043	389,472	701,688
End of Year	\$ 178,128	\$ 45,060	\$ 119,144	\$ 410,888	\$ 753,220



## STATISTICAL SECTION

## City of Dover, New Hampshire

### Statistical Section

The City of Dover's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

#### Page

#### Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

132-140

#### Revenue Capacity

These schedules contain information to help reader assess the government's most significant local revenue source, the property tax.

141-146

#### Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

147-151

#### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

150-151

#### Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

152-157

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

## City of Dover, New Hampshire

### Net Assets by Component

Last Ten Fiscal Years (2)

(accrual basis of accounting)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Governmental Activities</b>							
Invested in capital assets, net of related debt (1)	\$ 47,842,554	\$ 50,841,722	\$ 53,992,080	\$ 56,387,047	\$ 57,412,322	\$60,502,720	\$ 76,018,355
Restricted	449,317	467,560	135,140	135,519	220,907	706,657	239,781
Unrestricted (Deficit)	(3,376,708)	(4,956,172)	(5,048,192)	334,752	2,143,471	1,555,309	(4,425,923)
Total governmental activities net assets	\$ 44,915,163	\$ 46,353,110	\$ 49,079,028	\$ 56,857,318	\$ 59,776,700	\$ 62,764,686	\$ 71,832,213
<b>Business-type activities</b>							
Invested in capital assets, net of related debt	\$ 50,262,498	\$ 49,960,529	\$ 49,129,986	\$ 49,120,227	\$ 49,735,238	\$ 51,471,577	\$ 48,561,358
Restricted	908,920	1,548,748	2,961,035	2,828,641	3,619,664	5,630,120	6,388,298
Unrestricted (Deficit)	3,890,445	3,777,256	3,499,041	3,591,882	1,527,399	(2,037,985)	5,702,564
Total business-type activities net assets	\$ 55,061,863	\$ 55,286,533	\$ 55,590,062	\$ 55,340,750	\$ 54,882,301	\$ 55,063,712	\$ 58,652,220
<b>Primary government</b>							
Invested in capital assets, net of related debt	\$ 98,105,052	\$ 100,802,251	\$ 103,122,066	\$ 105,507,274	\$ 107,147,560	\$ 111,974,297	\$ 122,579,713
Restricted	1,358,237	2,016,308	3,096,175	2,764,160	3,840,571	6,336,777	8,628,079
Unrestricted (Deficit)	513,737	(1,178,916)	(1,549,151)	3,926,634	3,670,870	(482,676)	1,276,841
Total primary government net assets	\$ 99,977,026	\$ 101,639,643	\$ 104,669,090	\$ 112,198,068	\$ 114,659,001	\$ 117,828,398	\$ 130,484,433

#### Notes:

- (1) Net assets invested in capital assets, net of related debt were restated for FY03 and FY04.
- (2) The City will continue to annually report information until this schedule includes 10 fiscal years.

# City of Dover, New Hampshire

## Changes in Net Assets

Last Ten Fiscal Years (1)

(accrual basis of accounting)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Expenses</b>							
Governmental activities:							
General government	\$ 3,745,857	\$ 3,809,832	\$ 4,833,784	\$ 3,670,881	\$ 3,834,147	\$ 4,926,090	\$ 3,177,368
Public safety	9,713,495	10,657,493	10,284,604	12,865,806	13,974,469	14,090,578	16,154,098
Public works	7,965,930	6,739,392	6,972,709	9,128,400	8,380,719	8,289,627	10,821,805
Culture and recreation	2,985,494	2,911,587	2,349,885	2,882,727	3,655,755	3,468,304	3,669,804
Education	36,502,911	37,408,903	37,715,317	41,108,155	42,505,294	45,032,173	45,929,848
Human services	630,133	1,481,363	1,156,326	1,310,008	1,445,035	1,099,641	740,125
Intergovernmental	3,895,246	4,639,183	4,336,892	5,454,815	5,750,204	5,922,221	6,772,323
Interest	1,492,822	1,646,763	1,815,709	2,108,107	2,813,594	3,098,791	3,131,043
Miscellaneous	318,758	-	-	-	-	-	-
Total governmental activities expenses	67,080,646	69,294,516	69,465,226	78,618,899	82,359,217	85,927,425	90,196,214
Business-type activities:							
Water services	2,326,346	2,521,875	2,779,842	2,977,351	3,304,778	3,430,042	3,362,625
Sewer services	4,327,567	4,566,230	4,647,438	4,997,619	5,043,665	5,017,000	5,472,386
Arena services	1,151,200	1,262,538	1,314,389	1,418,234	1,481,949	1,427,762	39,516
DBIDA services	7,098	7,894	5,879	81,943	144,500	138,441	177,886
Total business-type activities expenses	7,812,211	8,358,537	8,747,548	9,475,147	9,974,892	10,013,245	9,052,393
Total primary government expenses	\$ 74,892,857	\$ 77,653,053	\$ 78,212,774	\$ 88,094,046	\$ 92,334,109	\$ 95,940,670	\$ 99,248,607
<b>Program Revenues</b>							
Governmental activities:							
Charges for services							
General government	\$ 1,484,034	\$ 871,799	\$ 1,312,097	\$ 1,609,618	\$ 1,310,619	\$ 1,149,111	\$ 916,590
Public safety	1,235,206	806,821	437,825	603,642	1,275,129	1,336,480	1,794,657
Public works	868,876	1,260,514	2,810,817	1,307,824	1,544,584	2,936,784	1,263,462
Culture and recreation	403,968	718,942	601,361	591,904	669,630	660,656	1,242,867
Education	9,004,003	12,951,805	13,493,145	13,630,851	14,030,649	14,070,236	14,929,866
Human services	6,230	11,749	196,645	136,057	55,192	180,465	82,006
Miscellaneous	54,573	-	-	-	-	-	-
Total charges for services	13,056,890	16,621,630	18,851,890	17,879,996	18,875,803	20,323,732	20,219,448
Operating grants and contributions	9,116,737	6,724,481	6,284,743	6,061,067	7,100,396	6,582,484	9,279,478
Capital grants and contributions	1,681,916	1,768,318	919,502	1,213,101	970,772	1,026,815	2,993,635
Total governmental activities program revenues	23,865,543	25,114,429	26,056,135	25,154,064	26,946,971	27,933,031	32,492,581
Business-type activities:							
Charges for services							
Water services	3,158,780	3,027,514	3,197,227	3,406,598	3,379,209	4,011,562	3,988,112
Sewer services	4,196,982	3,928,891	4,019,804	3,934,859	3,767,878	4,129,003	4,060,736
Arena services	783,190	1,062,556	1,202,974	1,264,746	1,461,474	1,568,828	-
DBIDA services	-	-	250	44,701	268,973	138,353	129,235
Total charges for services	8,138,952	8,018,961	8,420,255	8,650,904	8,877,534	9,847,746	8,176,083
Operating grants and contributions	-	-	-	-	-	-	-
Capital grants and contributions	512,554	474,062	612,576	538,839	552,375	240,877	424,092
Total business-type activities program revenues	8,651,506	8,493,023	9,032,831	9,189,743	9,429,909	10,088,623	8,600,175
Total primary government program revenues	\$ 32,517,049	\$ 33,607,452	\$ 35,088,966	\$ 34,343,807	\$ 36,376,880	\$ 38,021,654	\$ 41,092,736
<b>Net (Expenses)/Revenue</b>							
Governmental activities	\$ (43,215,103)	\$ (44,180,087)	\$ (43,409,091)	\$ (53,464,835)	\$ (55,412,246)	\$ (57,994,394)	\$ (57,703,653)
Business-type activities	839,295	134,486	285,283	(285,404)	(544,983)	75,378	(452,218)
Total Primary government net expense	\$ (42,375,808)	\$ (44,045,601)	\$ (43,123,808)	\$ (53,750,239)	\$ (55,957,229)	\$ (57,919,016)	\$ (58,155,871)
<b>General Revenues and Other Changes in Net Assets</b>							
Governmental activities:							
Property taxes	\$ 38,969,984	\$ 41,202,971	\$ 44,469,792	\$ 49,606,220	\$ 52,129,249	\$ 55,835,213	\$ 58,489,588
Motor vehicle registration tax	3,719,694	3,844,148	3,923,934	3,968,620	3,927,069	3,803,303	3,692,119
Penalties, interest and other taxes	196,283	218,578	8,419	4,391	16,009	25,037	8,354
Unrestricted investment income	244,495	334,854	433,788	1,008,421	1,811,976	1,110,037	16,804
Other revenue	223,362	100,160	123,533	232,575	447,325	208,750	494,196
Loss on sale of capital assets	-	-	(40,109)	-	-	-	-
Extraordinary item	-	-	(2,793,947)	6,395,994	-	-	-
Transfers, net	14,524	(82,675)	9,599	26,904	-	-	(1,227,259)
Total governmental activities	43,368,342	45,618,034	46,135,009	61,243,125	58,331,628	60,982,380	61,473,802
Business-type activities:							
Investment income	11,042	7,509	27,845	52,496	86,533	106,033	40,213
Other Revenue	-	-	-	10,500	-	-	-
Transfers, net	(14,524)	82,675	(9,599)	(26,904)	-	-	1,227,259
Total business-type activities	(3,482)	90,184	18,246	36,092	86,533	106,033	1,267,472
Total primary government	\$ 43,364,860	\$ 45,708,218	\$ 46,153,255	\$ 61,279,217	\$ 58,418,161	\$ 61,088,413	\$ 62,741,274
<b>Change in Net Assets</b>							
Governmental activities	\$ 153,239	\$ 1,437,947	\$ 2,725,918	\$ 7,778,290	\$ 2,919,382	\$ 2,987,986	\$ 3,770,149
Business-type activities	835,813	224,670	303,529	(249,312)	(458,450)	181,411	815,254
Total primary government	\$ 989,052	\$ 1,662,617	\$ 3,029,447	\$ 7,528,978	\$ 2,460,932	\$ 3,169,397	\$ 4,585,403

(1) The City will continue to annually report information until this schedule includes 10 fiscal years.



# City of Dover, New Hampshire

## Fund Balances, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	2000	2001	2002	2003	Fiscal Year 2004	2005	2006	2007	2008	2009
<b>General Fund</b>										
Reserved for encumbrances	\$ 363,239	\$ 469,814	\$ 703,744	\$ 790,753	\$ 398,376	\$ 563,764	\$ 817,682	\$ 808,589	\$ 843,717	\$ 856,381
Reserved for advances (1)	286,000	309,500	944,236	1,381,880	1,874,304	1,897,034	2,153,630	2,287,210	2,733,032	840,141
Reserved for capital outlay (2)	263,680	288,559	259,577	85,693	148,750	127,500	106,250	823,543	507,570	789,991
Reserved for debt service	233,750	212,500	191,250	170,000	110,000	110,000	68,508	106,250	83,750	42,500
Reserved for other	-	-	-	-	-	-	-	-	-	-
Total Reserved	1,146,669	1,278,373	2,098,807	2,428,326	2,331,430	2,698,296	3,146,070	4,025,592	3,948,069	2,309,013
Unreserved	3,949,957	4,408,451	3,605,676	3,709,521	3,593,044	3,867,587	4,796,633	5,068,962	5,584,935	5,114,311
<b>Total General Fund</b>	<b>\$ 5,096,626</b>	<b>\$ 5,686,824</b>	<b>\$ 5,704,483</b>	<b>\$ 6,137,847</b>	<b>\$ 5,924,474</b>	<b>\$ 6,565,885</b>	<b>\$ 7,942,703</b>	<b>\$ 9,094,554</b>	<b>\$ 9,533,004</b>	<b>\$ 7,423,324</b>
<b>All Other Governmental funds</b>										
Reserved for encumbrances	\$ 3,696,096	\$ 3,495,464	\$ 4,061,377	\$ 2,219,715	\$ 3,138,359	\$ 2,851,074	\$ 7,210,141	\$ 11,007,176	\$ 8,134,795	\$ 5,791,298
Reserved for capital outlay	-	-	-	-	-	-	20,000	-	-	-
Reserved for other	27,484	27,682	28,938	23,424	29,963	39,161	39,176	48,336	48,333	122,853
Total Reserved	\$ 3,723,580	\$ 3,523,146	\$ 4,090,315	\$ 2,243,139	\$ 3,168,322	\$ 2,890,235	\$ 7,269,317	\$ 11,055,514	\$ 8,181,128	\$ 5,914,151
Unreserved	-	-	-	-	-	-	-	-	-	-
Special Revenue Funds	924,378	1,056,594	1,337,683	3,669,786	4,283,723	3,228,880	4,137,741	4,839,885	5,344,127	4,727,590
Capital Project Funds	336,496	5,736,649	(612,808)	4,081,977	4,465,278	9,880,180	11,105,112	10,272,747	2,070,246	6,315,773
<b>Total All Other Governmental funds</b>	<b>\$ 4,984,454</b>	<b>\$ 10,316,389</b>	<b>\$ 4,815,170</b>	<b>\$ 9,994,902</b>	<b>\$ 11,917,323</b>	<b>\$ 15,999,295</b>	<b>\$ 22,512,170</b>	<b>\$ 26,168,146</b>	<b>\$ 15,595,501</b>	<b>\$ 16,957,514</b>

Data Source:  
Audited Financial Statements

Beginning in Fiscal Year 2003 Special Revenue Funds include funds which were previously considered Trust Funds under the Pre GASB 34 reporting model.

- Notes:
- (1) This reserve is for the cash advance to the Arena Fund. In Fiscal Year 2008 the reserve includes a cash advance to the McConnell Center Fund. In Fiscal Year 2009 the reserve is for a cash advance to the McConnell Center Fund. In Fiscal Year 2009 the Arena Fund was dissolved into the General Fund.
  - (2) Appropriations for capital assets financed through the General Fund have a 3 year life or until the purpose is met.

# City of Dover, New Hampshire

## Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2000	2001	2002	2003	Fiscal Year 2004	2005	2006	2007	2008	2009
<b>Revenues</b>										
Taxes	\$ 29,376,946	\$ 32,105,887	\$ 35,759,199	\$ 39,127,067	\$ 41,835,187	\$ 44,425,858	\$ 49,273,703	\$ 51,923,895	\$ 55,528,287	\$ 58,276,107
Licenses and permits	3,344,023	3,686,246	3,944,619	4,096,208	4,254,976	4,379,423	4,746,999	4,704,073	4,458,346	4,347,705
Intergovernmental	4,983,314	5,235,678	5,971,855	7,028,720	8,277,017	8,779,512	6,748,901	7,577,132	6,914,873	10,778,255
Current service charges	2,441,185	2,799,133	2,875,191	3,986,260	3,882,668	6,696,041	5,552,867	5,690,435	7,272,458	7,092,059
Education	8,823,894	9,333,811	11,003,650	11,740,906	11,886,453	11,589,151	11,513,198	11,944,765	11,954,934	12,700,692
Miscellaneous revenue	1,472,918	1,734,335	1,302,185	1,060,772	1,427,204	1,597,921	2,185,844	3,221,740	2,456,173	2,238,920
<b>Total revenues</b>	<b>50,442,280</b>	<b>54,895,090</b>	<b>60,856,699</b>	<b>67,039,934</b>	<b>70,943,506</b>	<b>75,467,908</b>	<b>80,021,512</b>	<b>85,071,040</b>	<b>88,585,071</b>	<b>95,433,738</b>
<b>Expenditures</b>										
General government	\$ 2,752,678	\$ 2,957,861	\$ 3,049,278	\$ 3,362,579	\$ 3,682,989	\$ 4,510,703	\$ 4,403,947	\$ 3,788,781	\$ 4,667,786	\$ 3,960,116
Public safety	7,931,994	8,516,843	9,016,550	9,899,513	10,453,330	11,220,754	12,244,120	12,527,349	12,315,515	13,577,204
Public works	3,685,294	4,264,705	4,158,968	5,278,346	4,774,012	5,488,069	5,396,712	6,620,093	5,396,667	8,036,950
Culture and recreation	1,733,286	1,891,421	1,969,556	2,026,355	2,232,117	2,207,717	2,596,284	3,164,802	2,734,950	3,875,491
Education	24,750,933	27,151,429	31,382,245	34,843,006	36,706,948	37,366,752	39,929,897	40,788,339	42,991,635	45,425,330
Human services	1,109,990	1,617,411	1,141,594	1,181,469	1,475,210	1,171,342	1,271,139	1,422,485	1,087,523	1,129,423
Intergovernmental	2,824,052	2,855,108	3,666,619	3,695,246	4,839,183	4,336,892	5,454,815	5,750,204	5,922,221	6,772,323
Capital outlay (1)	6,450,130	8,894,073	7,596,771	7,471,290	5,393,035	6,952,065	10,748,911	17,072,862	14,086,205	11,767,363
Debt service										
Principal	2,000,038	3,291,991	4,006,958	3,998,487	4,214,821	4,220,335	4,486,607	4,740,087	6,215,838	6,645,849
Interest	1,394,983	1,159,145	1,700,213	1,524,218	1,644,937	1,799,485	2,054,291	2,668,222	3,350,916	3,148,136
<b>Total expenditures</b>	<b>54,633,378</b>	<b>62,599,987</b>	<b>67,688,452</b>	<b>72,650,509</b>	<b>75,216,782</b>	<b>79,274,123</b>	<b>88,586,723</b>	<b>98,523,184</b>	<b>98,719,256</b>	<b>102,337,185</b>
<b>Excess of revenues</b>										
Over(under) expenditures	(4,191,098)	(7,704,897)	(6,831,753)	(5,810,575)	(4,273,276)	(3,806,217)	(8,565,211)	(13,452,144)	(10,134,185)	(6,903,447)
<b>Other Financing Sources (Uses)</b>										
Bond Issuance	\$ 6,920,928	\$ 13,586,400	\$ 1,229,000	\$ 9,159,000	\$ 6,065,000	\$ 8,520,000	\$ 16,428,000	\$ 18,196,000	-	\$ 8,545,000
Bond Premium	-	-	-	-	-	-	-	63,961	-	-
Transfers in	257,193	577,740	531,781	944,509	1,040,165	1,148,898	1,161,973	1,183,029	1,093,416	1,498,009
Transfers out	(325,193)	(537,110)	(412,588)	(929,985)	(1,122,840)	(1,139,298)	(1,135,069)	(1,183,029)	(1,093,416)	(2,685,641)
<b>Total governmental activities</b>	<b>6,852,928</b>	<b>13,627,030</b>	<b>1,346,193</b>	<b>9,173,524</b>	<b>5,982,325</b>	<b>8,529,600</b>	<b>16,454,904</b>	<b>18,259,961</b>	<b>-</b>	<b>7,357,368</b>
<b>Net Change in fund balances</b>	<b>\$ 2,661,830</b>	<b>\$ 5,922,133</b>	<b>\$ (5,483,560)</b>	<b>\$ 3,362,949</b>	<b>\$ 1,709,049</b>	<b>\$ 4,723,383</b>	<b>\$ 7,889,693</b>	<b>\$ 4,807,817</b>	<b>\$ (10,134,185)</b>	<b>\$ 453,921</b>

Debt Service as a percentage of non-capital outlay expenditures      7.0%      8.3%      9.5%      8.4%      8.4%      8.3%      8.4%      9.1%      11.3%      10.8%

Data Source:  
Audited Financial Statements

Beginning in Fiscal Year 2003 Special Revenue Funds include funds which were previously considered Trust Funds under the Pre GASB 34 reporting model.

### Notes

(1) Capital outlay expenditures are presented within other function categories on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance.

# City of Dover, New Hampshire

## Changes in Fund Balances, General Fund Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Revenues</b>										
Taxes	\$ 29,141,018	\$ 31,853,179	\$ 35,585,882	\$ 38,649,599	\$ 41,525,541	\$ 44,054,361	\$ 48,791,940	\$ 51,416,226	\$ 55,152,120	\$ 58,047,052
Licenses and permits	3,344,023	3,886,246	3,944,619	4,096,208	4,254,976	4,378,403	4,745,864	4,702,403	4,456,916	4,159,499
Intergovernmental	1,610,534	1,675,881	1,766,065	1,914,757	1,910,836	2,069,959	2,140,515	2,799,048	2,781,290	3,762,458
Current service charges	954,790	1,054,940	1,030,036	1,124,299	1,118,191	1,586,678	1,486,611	1,293,887	1,220,717	2,702,644
Education	8,823,894	9,333,811	10,758,527	11,740,906	11,666,453	11,589,151	11,513,198	11,944,785	11,954,934	12,700,692
Miscellaneous revenue	953,059	1,093,938	680,805	478,202	485,359	779,348	1,227,807	2,001,869	1,888,508	702,508
<b>Total revenues</b>	<b>44,837,318</b>	<b>48,697,995</b>	<b>53,765,934</b>	<b>58,003,971</b>	<b>60,961,357</b>	<b>64,457,900</b>	<b>69,905,935</b>	<b>74,158,198</b>	<b>77,434,485</b>	<b>82,074,853</b>
<b>Expenditures by Function</b>										
General government	\$ 2,752,678	\$ 2,942,239	\$ 3,007,590	\$ 2,946,305	\$ 3,518,072	\$ 3,933,830	\$ 3,710,777	\$ 4,707,754	4,691,917	3,870,728
Public safety	6,917,061	7,364,837	7,762,936	8,500,956	9,249,045	9,975,122	10,607,760	11,303,843	11,396,359	12,444,070
Public works	3,169,586	3,572,785	3,538,122	4,451,367	3,931,571	4,594,796	4,316,164	4,626,565	4,665,096	4,848,815
Culture and recreation	1,682,017	1,863,347	1,926,516	1,973,218	2,087,301	2,123,434	2,202,084	2,294,841	2,301,415	3,258,539
Education	21,760,597	24,203,905	27,208,695	29,199,879	30,486,749	31,380,847	33,848,664	35,528,132	37,141,062	39,029,285
Human services	414,116	446,689	550,038	653,336	730,727	785,254	638,330	604,200	658,979	687,415
Intergovernmental	2,824,052	2,855,108	3,666,619	3,695,246	4,839,183	4,336,892	5,454,815	5,750,204	5,922,221	6,772,323
Debt service										
Principal	2,000,038	3,291,991	4,006,358	3,998,487	4,214,821	4,220,335	4,486,607	4,700,087	6,010,838	6,425,849
Interest	1,394,983	1,159,145	1,700,213	1,524,218	1,644,937	1,799,495	2,045,847	2,445,863	3,146,722	2,964,280
<b>Total expenditures</b>	<b>42,915,128</b>	<b>47,700,046</b>	<b>53,367,687</b>	<b>56,943,012</b>	<b>60,502,406</b>	<b>63,150,004</b>	<b>67,611,048</b>	<b>71,951,289</b>	<b>75,934,609</b>	<b>80,297,304</b>
<b>Excess of revenues</b>										
Over/(under) expenditures	1,922,190	997,949	398,247	1,060,959	458,951	1,307,896	2,294,887	2,206,909	1,499,876	1,777,549
<b>Other Financing Sources (Uses)</b>										
Proceeds from borrowing										
Bond Premium								63,961		
Transfers in	36,000	32,000	32,000	49,595	63,828	32,000	32,000	32,000	32,000	-
Transfers out	(321,193)	(439,751)	(412,588)	(677,190)	(736,152)	(898,485)	(950,069)	(1,151,029)	(1,093,416)	(2,685,641)
<b>Total governmental activities</b>	<b>(285,193)</b>	<b>(407,751)</b>	<b>(380,588)</b>	<b>(627,595)</b>	<b>(672,324)</b>	<b>(666,485)</b>	<b>(918,069)</b>	<b>(1,055,068)</b>	<b>(1,061,416)</b>	<b>(2,685,641)</b>
<b>Net Change in fund balances</b>	<b>\$ 1,636,997</b>	<b>\$ 590,198</b>	<b>\$ 17,659</b>	<b>\$ 433,364</b>	<b>\$ (213,373)</b>	<b>\$ 641,411</b>	<b>\$ 1,376,818</b>	<b>\$ 1,151,841</b>	<b>\$ 438,460</b>	<b>\$ (908,092)</b>

Data Source:  
Audited Financial Statements

### Notes

(1) Gross amounts of transfers in and out are presented here, while transfers between nonmajor governmental funds have been eliminated on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance.

# City of Dover, New Hampshire

## Changes in Fund Balances, Special Revenue Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2000	2001	2002	2003	Fiscal Year 2004	2005	2006	2007	2008	2009
<b>Revenues</b>										
Taxes	\$ 235,928	\$ 252,708	\$ 173,317	\$ 477,468	\$ 109,646	\$ 371,497	\$ 481,763	\$ 507,669	376,167	\$ 229,055
Licenses and permits	-	-	-	-	-	1,020	1,135	1,870	1,430	188,206
Intergovernmental	3,209,546	3,391,181	4,038,970	4,813,018	5,875,326	4,573,196	4,282,636	4,627,585	4,153,583	4,403,292
Current service charges	1,454,642	1,615,597	1,627,738	2,644,336	2,338,255	3,338,544	4,026,256	4,226,685	4,843,301	4,389,415
Education	-	-	245,123	-	-	-	-	-	-	-
Miscellaneous revenue	492,409	640,397	621,380	559,833	661,377	548,268	710,930	973,661	327,782	226,899
<b>Total revenues</b>	<b>5,392,525</b>	<b>5,899,863</b>	<b>6,706,528</b>	<b>8,294,655</b>	<b>9,184,604</b>	<b>8,832,525</b>	<b>9,502,720</b>	<b>10,337,270</b>	<b>9,702,263</b>	<b>9,436,867</b>
<b>Expenditures</b>										
General government	-	15,622	41,688	416,274	164,917	576,873	693,170	1,029,501	609,614	91,089
Public safety	1,014,933	1,152,006	1,253,614	1,168,557	1,204,485	1,245,632	1,336,360	1,411,641	1,403,243	2,027,429
Public works	515,708	691,920	620,546	826,979	842,441	893,273	1,080,548	1,109,091	1,052,042	1,014,447
Culture and recreation	51,269	28,074	43,040	53,137	144,816	84,263	394,200	400,112	519,747	740,989
Education	2,990,336	2,947,524	4,173,550	5,443,127	6,220,199	5,985,905	6,081,233	5,917,742	5,855,883	6,046,817
Human services	695,874	1,170,722	591,556	528,133	744,483	386,088	632,809	818,265	408,544	442,008
Debt service	-	-	-	-	-	-	-	40,000	205,000	220,000
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	8,444	206,359	204,194	183,856
<b>Total expenditures</b>	<b>5,268,120</b>	<b>6,005,868</b>	<b>6,723,994</b>	<b>8,436,207</b>	<b>9,321,341</b>	<b>9,172,054</b>	<b>10,226,764</b>	<b>10,932,711</b>	<b>10,258,267</b>	<b>10,766,835</b>
<b>Excess of revenues</b>										
Over(under) expenditures	124,405	(105,985)	(17,466)	(141,552)	(136,737)	(339,529)	(724,044)	(595,441)	(556,004)	(1,329,768)
<b>Other Financing Sources (Uses)</b>										
Transfers in	221,193	315,751	372,685	671,646	676,337	733,299	943,713	1,207,020	1,061,416	1,398,009
Transfers out	(4,000)	(97,359)	-	(252,795)	(86,688)	(440,813)	(185,000)	(87,991)	-	(477,588)
<b>Total governmental activities</b>	<b>217,193</b>	<b>218,392</b>	<b>372,685</b>	<b>418,853</b>	<b>589,649</b>	<b>292,486</b>	<b>758,713</b>	<b>1,119,029</b>	<b>1,061,416</b>	<b>920,421</b>
<b>Net Change in fund balances</b>	<b>\$ 341,598</b>	<b>\$ 112,407</b>	<b>\$ 355,219</b>	<b>\$ 277,301</b>	<b>\$ 452,912</b>	<b>\$ (47,043)</b>	<b>\$ 34,669</b>	<b>\$ 523,588</b>	<b>\$ 505,412</b>	<b>\$ (409,347)</b>

### Data Source

Audited Financial Statements

Beginning in Fiscal Year 2003 Special Revenue Funds include funds which were previously considered Trust Funds under the Pre GASB 34 reporting model.



# City of Dover, New Hampshire

## Changes in Fund Balances, Capital Project Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2000	2001	2002	2003	Fiscal Year 2004	2005	2006	2007	2008	2009
<b>Revenues</b>										
Intergovernmental	\$ 163,234	\$ 168,616	\$ 166,820	\$ 500,945	\$ 490,855	\$ 136,357	\$ 325,750	\$ 150,499	\$ -	\$ 2,612,505
Current service charges	31,753	128,596	217,417	217,625	226,222	1,770,819	40,000	178,863	1,208,440	-
Education	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	17,450	-	-	22,737	80,468	270,305	247,107	246,210	239,883	1,309,513
<b>Total revenues</b>	<b>212,437</b>	<b>297,212</b>	<b>384,237</b>	<b>741,307</b>	<b>797,545</b>	<b>2,177,481</b>	<b>612,857</b>	<b>575,572</b>	<b>1,448,323</b>	<b>3,922,018</b>
<b>Expenditures</b>										
Capital outlay	6,450,130	8,894,073	7,596,771	7,471,290	5,393,035	6,952,065	10,748,911	15,639,184	12,526,380	11,273,246
<b>Total expenditures</b>	<b>6,450,130</b>	<b>8,894,073</b>	<b>7,596,771</b>	<b>7,471,290</b>	<b>5,393,035</b>	<b>6,952,065</b>	<b>10,748,911</b>	<b>15,639,184</b>	<b>12,526,380</b>	<b>11,273,246</b>
<b>Excess of revenues</b>										
Over(under) expenditures	(6,237,693)	(8,596,861)	(7,212,534)	(6,729,983)	(4,595,490)	(4,774,584)	(10,136,054)	(15,063,612)	(11,078,057)	(7,351,228)
<b>Other Financing Sources (Uses)</b>										
Proceeds from borrowing	6,920,928	13,586,400	1,229,000	9,159,000	6,065,000	8,520,000	16,428,000	18,196,000	-	8,545,000
Transfers in	-	229,989	127,098	223,266	300,000	383,599	186,260	-	-	577,588
Transfers out	-	-	-	-	(300,000)	-	-	-	-	-
<b>Total governmental activities</b>	<b>6,920,928</b>	<b>13,816,389</b>	<b>1,356,098</b>	<b>9,382,266</b>	<b>6,065,000</b>	<b>8,903,599</b>	<b>16,614,260</b>	<b>18,196,000</b>	<b>-</b>	<b>9,122,588</b>
<b>Net Change in fund balances</b>	<b>\$ 683,235</b>	<b>\$ 5,219,528</b>	<b>\$ (5,856,436)</b>	<b>\$ 2,652,283</b>	<b>\$ 1,469,510</b>	<b>\$ 4,129,015</b>	<b>\$ 6,478,206</b>	<b>\$ 3,132,388</b>	<b>\$ (11,078,057)</b>	<b>\$ 1,771,360</b>

Data Source:

Audited Financial Statements

# City of Dover, New Hampshire

## Combined Utility Fund Revenue, Expenses, and Changes in Fund Net Assets Last Ten Fiscal Years

Fiscal Year	Revenue					Expenses					Increase (Decrease) Total Net Assets	Total Net Assets
	Intergovernmental	Charges for Services	Other	Transfers In	Total	Operations & Maintenance	Depreciation	Interest Expense	Transfers Out	Total		
2009	\$ -	\$ 7,729,875	\$ 781,269	\$ -	\$ 8,511,144	\$ 5,113,860	\$ 2,708,927	\$ 1,012,204	\$ 1,607	\$ 8,836,598	\$ (325,454)	\$ 57,459,438
2008	-	7,858,489	627,483	-	8,485,972	4,718,312	2,637,288	1,091,442	-	8,447,042	38,930	57,794,892 (3)
2007	552,375	6,863,012	368,070	-	7,784,457	4,685,872	2,512,605	1,149,968	-	8,348,443	(563,986)	54,972,706
2006	519,346	7,065,852	327,782	-	7,912,980	4,558,650	2,422,858	993,482	26,904	8,001,874	(88,894)	55,536,691
2005	612,576	6,890,875	363,769	-	7,857,220	4,407,360	2,302,836	717,294	9,599	7,436,879	420,341	55,625,585
2004	474,062	6,383,456	580,370	82,675	7,520,563	3,952,020	2,139,539	996,146	-	7,088,105	432,458	55,205,244 (1)
2003	512,554	6,957,737	409,088	-	7,879,359	3,560,102	2,087,337	1,006,474	14,524	6,668,438	1,210,921	54,772,785 (2)
2002	565,334	5,130,038	136,903	735,000	6,567,275	3,285,298	2,264,227	1,136,101	582,245	7,277,871	(710,596)	53,561,864
2001	679,857	5,496,937	217,157	867,000	7,262,951	3,294,038	2,214,503	908,358	340,000	6,756,899	506,052	44,826,544
2000	638,382	4,999,583	179,590	-	5,817,565	2,877,432	2,225,281	1,018,410	315,000	6,436,123	(618,558)	44,210,697

Includes Water and Sewer Funds

## Water Fund Revenue, Expenses, and Changes in Fund Net Assets Last Ten Fiscal Years

Fiscal Year	Revenue					Expenses					Increase (Decrease) Total Net Assets	Total Net Assets
	Intergovernmental	Charges for Services	Other	Transfers In	Total	Operations & Maintenance	Depreciation	Interest Expense	Transfers Out	Total		
2009	\$ -	\$ 3,876,794	\$ 129,488	\$ -	\$ 4,006,282	\$ 2,310,328	\$ 575,562	\$ 478,735	\$ -	\$ 3,362,625	\$ 643,657	\$ 18,658,903
2008	-	3,864,482	199,090	-	4,063,572	2,263,253	644,602	522,187	-	3,430,042	633,530	18,015,246 (3)
2007	-	3,241,820	192,180	-	3,424,000	2,219,625	637,400	447,753	-	3,304,778	119,222	16,110,202
2006	-	3,226,940	133,045	-	3,429,985	2,032,089	846,178	298,074	500	2,977,851	452,134	15,990,679
2005	15,000	3,056,682	150,305	-	3,221,987	1,990,737	602,372	186,733	6,500	2,786,342	435,645	15,536,845
2004	-	2,789,034	240,517	82,675	3,112,226	1,762,176	526,183	233,516	-	2,521,875	590,351	15,103,200
2003	-	3,040,583	121,338	-	3,161,921	1,611,453	501,377	213,516	-	2,326,346	835,575	14,512,849 (1)
2002	-	2,217,796	47,485	400,000	2,665,281	1,513,683	465,709	256,524	292,245	2,531,161	134,120	13,677,274 (2)
2001	-	2,287,727	19,100	142,000	2,448,827	1,377,318	438,642	118,840	40,000	1,974,800	474,027	8,375,032
2000	-	2,169,065	12,030	-	2,181,095	1,227,278	430,875	147,350	40,000	1,845,503	335,592	7,791,977

## Sewer Fund Revenue, Expenses, and Changes in Fund Net Assets Last Ten Fiscal Years

Fiscal Year	Revenue					Expenses					Increase (Decrease) Total Net Assets	Total Net Assets
	Intergovernmental	Charges for Services	Other	Transfers In	Total	Operations & Maintenance	Depreciation	Interest Expense	Transfers Out	Total		
2009	\$ -	\$ 3,853,081	\$ 651,781	\$ -	\$ 4,504,862	\$ 2,803,532	\$ 2,133,365	\$ 535,489	\$ 1,607	\$ 5,473,973	\$ (969,111)	\$ 38,800,535
2008	-	3,994,007	428,393	-	4,422,400	2,455,059	1,992,686	569,255	-	5,017,000	(594,600)	38,769,638 (3)
2007	552,375	3,621,192	186,890	-	4,360,457	2,466,247	1,875,205	702,213	-	5,043,665	(683,208)	38,862,504
2006	519,346	3,768,912	194,737	-	4,482,995	2,528,551	1,778,680	694,388	26,404	5,024,023	(541,028)	39,545,712
2005	597,576	3,824,193	213,464	-	4,635,233	2,416,623	1,700,294	530,551	3,099	4,650,537	(15,304)	40,086,740
2004	474,062	3,594,422	339,853	-	4,408,337	2,183,844	1,613,756	782,630	-	4,566,230	(157,893)	40,102,044
2003	512,554	3,317,154	287,730	-	4,717,438	1,948,649	1,585,960	792,958	14,524	4,342,091	375,347	40,259,937 (1)
2002	565,334	2,912,242	88,418	335,000	3,901,994	1,771,515	1,798,518	876,577	300,000	4,746,710	(844,716)	39,884,560 (2)
2001	679,857	3,211,210	198,057	725,000	4,814,124	1,916,720	1,775,861	789,518	300,000	4,782,099	32,025	36,451,512
2000	638,382	2,830,518	167,560	-	3,636,470	1,650,154	1,794,406	871,060	275,000	4,590,620	(954,150)	36,418,720

Data Source:  
Audited Financial Reports

### Notes:

- (1) Beginning in Fiscal Year 2003 includes Capital Reserve Funds which were previously considered Trust Funds.
- (2) Total Net Assets as restated for Fiscal Year ending June 30, 2002. Restatement resulting from adjustment of capital asset values and accumulated depreciation.
- (3) Total Net Assets as restated for Fiscal Year ending June 30, 2008. Restatement resulting from adjustment of capital asset values and accumulated depreciation for capital contributions.

## City of Dover, New Hampshire

### General Government Tax Revenues by Source Last Ten Fiscal Years

Fiscal Year	Property Taxes	Current Use Penalties	Boat Tax	Yield Tax	Payment in Lieu of Tax	Excavation Tax	Activity Tax (1)	Tax Interest & Penalties	Total
2009	\$ 57,638,349	\$ 229,055	\$ 16,177	\$ 1,096	\$ 78,157	\$ 5,484	\$ -	\$ 307,789	\$ 58,276,107
2008	54,815,889	376,170	17,595	15,319	33,579	3,581	-	266,157	55,528,290
2007	51,082,581	507,669	19,957	14,130	62,765	6,513	-	230,280	51,923,895
2006	48,502,622	481,763	22,389	628	63,553	7,112	-	195,636	49,273,703
2005	43,776,292	363,102	24,174	1,456	57,145	9,863	-	193,827	44,425,858
2004	41,200,107	108,017	26,275	4,651	68,874	8,700	-	218,562	41,635,187
2003	38,345,800	475,838	22,759	4,945	71,298	10,143	-	196,283	39,127,067
2002	35,273,175	162,276	23,328	3,279	99,639	13,953	-	183,548	35,759,198
2001	31,494,896	250,246	20,745	765	90,005	10,459	35,085	203,687	32,105,886
2000	28,596,237	341,124	21,473	19,047	93,506	10,743	39,410	255,406	29,376,946

Data Source:

Audited Internal Financial Statements

Notes:

(1) Activity tax was ruled unconstitutional by N.H. Supreme Court.

## City of Dover, New Hampshire

### Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	Property Tax Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Balance at Fiscal Year End of Levy Year	Subsequent Tax Collections	Balance at end of Current Fiscal year	Total Collections to Date		Number of Parcels		
		Amount	% of Levy				Amount	% of Levy	in Levy	Liened	% Liened
2009	57,813,956	55,182,839	95.4%	2,631,117	-	2,631,117	55,182,839	95.4%	9,808	380	3.9%
2008	55,140,420	52,827,214	95.8%	2,313,206	1,943,224	369,982	54,770,438	99.3%	9,685	295	3.0%
2007	51,305,180	49,264,164	96.0%	2,041,016	1,865,087	175,929	51,129,251	99.7%	9,552	353	3.7%
2006	48,838,109	46,864,721	96.0%	1,973,388	1,961,573	11,815	48,826,294	100.0%	9,187	278	3.0%
2005	43,833,406	42,209,865	96.3%	1,623,541	1,623,541	-	43,833,406	100.0%	9,103	249	2.7%
2004	41,081,332	39,523,636	96.2%	1,557,696	1,557,696	-	41,081,332	100.0%	9,009	262	2.9%
2003	38,378,893	36,736,461	95.7%	1,642,433	1,642,433	-	38,378,893	100.0%	8,888	310	3.5%
2002	35,301,454	33,862,981	95.9%	1,438,473	1,438,473	-	35,301,454	100.0%	8,735	301	3.4%
2001	31,525,308	30,190,566	95.8%	1,334,742	1,334,742	-	31,525,308	100.0%	8,673	318	3.7%
2000	28,514,086	27,305,905	95.8%	1,208,181	1,208,181	-	28,514,086	100.0%	8,498	397	4.7%

Data Source:

Audited Internal Financial Statements, Property Tax Warrants and Reports of Tax Lien Executions

Tax liens are placed within 60 days after the end of the fiscal year. Taxpayers have two years to redeem liens prior to property being tax deeded.



## City of Dover, New Hampshire

### Assessed and Estimated Full Value of Real Property

Last Ten Fiscal Years

Fiscal Year	Local Assessed Value (1)			Total Assessed Value	Less Exemptions to Assessed Value (1)	Total Taxable Assessed Value (1)	Total Direct Tax Rate per \$1,000 of Assessed Value	Estimated Full Value (2)	Ratio of Total Assessed Value to Total Estimated Full Value
	Residential	Commercial/Industrial	Utilities						
2009	\$ 2,094,567,000	\$ 685,319,200	\$ 35,303,500	\$ 2,815,189,700	\$ 51,608,150	\$ 2,763,581,550	\$ 21.10	\$ 3,009,995,763	93.5%
2008	2,195,273,500	655,131,100	35,579,100	2,885,983,700	50,914,700	2,835,069,000	19.63	3,028,004,490	95.3%
2007	2,178,722,000	597,125,300	34,773,700	2,810,621,000	45,808,500	2,764,812,500	18.72	2,954,382,748	95.1%
2006	1,992,919,500	546,120,670	33,169,300	2,572,209,470	36,144,400	2,536,065,070	17.29	2,909,166,586	88.4%
2005	1,881,960,500	545,071,520	33,003,800	2,460,035,820	30,528,200	2,429,507,620	16.42	2,599,843,962	94.6%
2004	1,580,353,000	485,398,492	31,250,100	2,097,001,592	19,013,400	2,077,988,192	17.67	2,303,407,162	91.0%
2003	1,359,533,470	471,810,672	31,250,100	1,862,594,242	10,271,000	1,852,323,242	18.89	2,033,558,594	91.6%
2002	1,157,386,700	414,001,060	31,250,100	1,602,637,860	9,969,500	1,592,668,360	20.09	1,789,901,391	89.5%
2001	780,489,650	319,310,200	26,188,800	1,125,988,650	7,145,000	1,118,843,650	25.97	1,529,921,457	73.6%
2000	725,066,300	265,815,100	25,502,700	1,016,384,100	9,362,000	1,007,022,100	25.81	1,324,236,772	76.8%

#### Data Sources:

(1) State MS-1 Report of Assessed Values

(2) NH Department of Revenue Administration's annual Equalization Survey

# City of Dover, New Hampshire

## Principal Taxpayers Current Year and Nine Years Ago

Taxpayer	Type of Business	2009 Assessed Value	Rank	Percentage of Total Assessed Value	2000 Assessed Value	Rank	Percentage of Total Assessed Value
Liberty Mutual Insurance Co	Insurance	\$ 74,352,200	1	2.69 %	\$ 18,334,100	1	1.82 %
Public Service Co of NH	Utility	23,001,600	2	0.83	17,311,800	2	1.72
The New Meadows Inc	Apartments	20,989,200	3	0.76	7,725,930	5	0.77
Holgate Limited Partnership	Comm/Res Rentals	15,911,400	4	0.58	-	-	-
171 Watson Rd of Dover Holding Corp.	Scholastic Testing	15,742,200	5	0.57	-	-	-
Dover Mills Partnership	Developer	11,114,800	6	0.40	7,623,900	6	0.76
Northern Utilities Inc	Gas Utility	11,092,600	7	0.40	8,381,900	4	0.83
NP Dover LLC (Current) Shaw's(Previously)	Supermarket	10,998,800	8	0.40	6,894,100	7	0.68
Dover Retirement Residence LLC	Retirement Community	10,359,400	9	0.37	-	-	-
MSM Brothers, Inc.	Apartments	9,894,700	10	0.36	-	-	-
Sawyers Mills Assoc Inc	Apartments	-	-	-	4,823,900	9	0.48
Goss (Current) Heidelberg (Previously)	Manufacturer	-	-	-	3,728,000	3	0.87
Langdon Place of Dover	Retirement Community	-	-	-	5,946,600	8	0.59
Hannaford Brothers	Supermarket	-	-	-	4,162,700	10	0.41
Total Principal Taxpayers		\$ 203,436,900		7.36 %	\$ 89,932,930		8.93 %
Total Net Assessed Taxable Value		\$ 2,763,581,550			\$ 1,007,022,100		

Data Source:  
City of Dover Tax Warrant

## City of Dover, New Hampshire

### Property Tax Rates per \$ 1,000 of Assessed Value Direct and Overlapping Governments Last Ten Fiscal Years

Fiscal Year	City Direct Rates							Overlapping Rate		Estimated Full Value Rate
	City	Budgetary Use of Fund Balance (1)	Total City (2)	Local School (2)	State School (3)	Total School	Total Direct	County	Total	
2009	\$ 7.57	\$ -	\$ 7.57	\$ 8.79	\$ 2.31	\$ 11.10	\$ 18.67	\$ 2.43	\$ 21.10	\$ 19.33
2008	7.23	-	7.23	8.02	2.31	10.33	17.56	2.07	19.63	18.33
2007	6.87	(0.15)	6.72	7.56	2.38	9.94	16.66	2.06	18.72	17.47
2006	7.04	-	7.04	7.66	2.59	10.25	17.29	2.13	19.42	16.88
2005	6.91	-	6.91	6.71	2.80	9.51	16.42	1.76	18.18	16.93
2004	7.48	(0.05)	7.43	5.87	4.37	10.24	17.67	2.21	19.88	17.85
2003	8.03	(0.13)	7.90	6.08	4.91	10.99	18.89	1.97	20.86	18.90
2002	8.80	(0.67)	8.13	6.31	5.65	11.96	20.09	2.27	22.36	19.75
2001	11.28	(0.94)	10.34	8.41	7.22	15.63	25.97	2.51	28.48	20.25
2000	11.70	(0.25)	11.45	6.32	8.04	14.36	25.81	2.75	28.56	21.04

Data Source:

NH State Department of Revenue Administration

#### Notes:

- (1) Reflects the decrease to the City rate as a result of the City Council voting to use a portion of Fund Balance to finance the budget. This is calculated by the City of Dover for informational purposes.
- (2) Debt service is included in the City and Local School rates.
- (3) The NH State Legislature revised Education funding in Fiscal Year 2000, establishing a State Education Property Tax. Although warranted by the state, the taxes are collected by the City and spent for local school purposes. This rate does not apply to utility assessments. Utilities are billed directly by the State of NH.

## City of Dover, New Hampshire

### Utility Fund Net Budget, Billable Volumes and Rates Last Ten Fiscal Years

Fiscal Year	Amount to be Raised by Rates (1)		Billable Volume Used for Setting Rates (2)		Rates per HCF (4)		
	Water	Sewer	Water	Sewer (3)	Water	Sewer	Combined
2009	\$ 3,817,555	\$ 4,182,454	1,019,000	927,000	\$ 3.75	\$ 4.51	\$ 8.26
2008	3,597,404	4,069,946	1,019,000	927,000	3.53	4.39	7.92
2007	3,179,280	4,023,180	1,019,000	927,000	3.12	4.34	7.46
2006	3,016,240	3,826,510	1,019,000	927,000	2.96	4.13	7.09
2005	2,730,920	3,717,270	1,019,000	927,000	2.68	4.01	6.69
2004	2,422,840	3,605,880	1,018,000	906,000	2.38	3.98	6.36
2003	2,202,550	3,357,000	1,015,000	900,000	2.17	3.73	5.90
2002	2,286,900	3,162,790	990,000	881,000	2.31	3.59	5.90
2001	1,958,400	2,972,160	960,000	864,000	2.04	3.44	5.48
2000	1,940,850	2,704,000	935,000	845,000	2.08	3.20	5.28

Data Source:

City of Dover Budget and Budget Resolutions

#### Notes:

- (1) Amount to be raised by rate equals the net budget, i.e., appropriations less other revenue sources.
- (2) Billable Volume is the estimated billable water consumption in hundred cubic feet units (HCF).
- (3) Sewer charges are based on the amount of water consumed.
- (4) One hundred cubic feet (HCF) equals 748 gallons.



## City of Dover, New Hampshire

### Dover's Share of the Strafford County Tax Apportionment

Last Ten Fiscal Years

(based on percentage of equalized value)

Total Equalized Values			
Tax Year	Dover	Strafford County	Dover's %
2007	\$ 3,030,963,132	\$ 11,365,940,726	26.6670679%
2006	2,957,658,251	11,428,976,216	25.8785931%
2005	2,912,670,592	10,943,501,422	26.6155271%
2004	2,603,256,233	9,798,715,231	26.5673221%
2003	2,307,394,165	8,651,293,933	26.6710874%
2002	2,036,499,998	7,464,648,336	27.2819282%
2001	1,794,028,135	6,480,835,631	27.6820496%
2000	1,564,564,557	5,607,449,033	27.9015386%
1999	1,357,414,368	4,861,486,637	27.9217957%
1998	1,212,846,560	4,392,004,563	27.6148748%

Apportionment of County Tax Levy				
Fiscal Year	County Tax Levy	Dover's Share	Dover's Share \$ Change	Dover's Share % Change
2009	\$ 25,395,827	\$ 6,772,323	\$ 850,102	14.4%
2008	22,884,637	5,922,221	172,016	3.0%
2007	21,604,701	5,750,205	295,390	5.4%
2006	20,532,046	5,454,815	1,117,923	25.8%
2005	16,260,649	4,336,892	(302,291)	-6.5%
2004	17,004,598	4,639,183	943,938	25.5%
2003	13,348,887	3,695,245	28,626	0.8%
2002	13,141,275	3,666,619	811,511	28.4%
2001	10,225,372	2,855,108	31,056	1.1%
2000	10,226,562	2,824,052	94,652	3.5%

#### Data Sources:

NH Department of Revenue Administration Equalization Surveys

County Tax Warrants

Adopted Strafford County Budgets

# City of Dover, New Hampshire

## Ratios of Long Term Debt Outstanding and Legal Debt Limits Last Ten Fiscal Years

	2000	2001	2002	2003	Fiscal Year 2004	2005	2006	2007	2008	2009
<b>Debt at June 30</b>										
City Depts. (Includes Arena) (1)	\$ 13,916,837	\$ 23,673,243	\$ 22,628,086	\$ 25,708,328	\$ 27,332,571	\$ 30,982,814	\$ 39,861,067	\$ 45,784,300	\$ 41,974,543	\$ 48,729,256
Hospital	-	-	-	-	-	-	-	-	-	-
School Dept.	19,182,291	19,720,294	17,987,493	20,067,784	20,293,700	20,943,122	24,206,272	31,538,942	28,132,861	27,408,864
Total Governmental Activities	33,099,128	43,393,537	40,615,579	45,776,112	47,626,271	51,925,936	63,967,329	77,323,242	71,107,404	76,137,920
Water Fund	2,337,196	4,858,947	4,307,298	5,985,849	7,685,000	7,788,000	11,103,000	12,578,000	11,573,000	10,763,000
Sewer Fund	13,004,800	14,650,000	13,840,000	15,056,000	14,829,000	14,701,000	14,553,000	13,210,000	11,538,000	11,128,000
Arena Fund	386,880	3,930,380	4,279,500	4,034,410	3,785,920	3,542,430	3,298,940	3,055,450	2,813,980	-
DBIDA Fund	923,842	901,144	-	-	-	-	2,383,554	2,256,453	2,121,775	1,983,435
Total Debt at June 30	\$ 49,731,848	\$ 67,734,018	\$ 62,842,377	\$ 70,852,151	\$ 73,908,191	\$ 77,957,366	\$ 95,206,823	\$ 108,423,145	\$ 99,154,139	\$ 100,012,355
<b>Base Value for Debt Limits (2)</b>										
	\$ 1,351,890,603	\$ 1,558,702,819	\$ 1,820,063,750	\$ 2,065,144,579	\$ 2,336,698,368	\$ 2,634,830,749	\$ 2,944,329,836	\$ 2,988,313,185	\$ 3,060,293,856	\$ 3,040,617,437
<b>Legal Debt Limits (% of Base Value)</b>										
City - 1.75% thru 1998, 3% 1999 on (3)	\$ 40,558,718	\$ 46,763,779	\$ 54,801,913	\$ 61,954,337	\$ 70,100,891	\$ 79,047,922	\$ 88,329,895	\$ 89,840,396	\$ 91,806,810	\$ 91,218,523
School - 7% (3)	94,632,342	109,115,463	127,404,463	144,560,121	163,568,748	184,445,152	208,103,085	209,181,923	214,220,556	212,843,221
Water - 10% (3)	135,189,080	155,879,262	182,006,375	206,514,458	233,660,637	263,493,075	294,432,984	298,831,319	306,029,388	304,061,744
DBIDA - Industrial Parks (4)	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
DBIDA - Industrial Buildings (5)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
DBIDA - Industrial Project (6)	NA	NA	NA	NA	NA	NA	206,776,758	224,949,080	230,947,080	226,165,544
<b>Debt Against Legal Debt Limits</b>										
City Depts.	11,127,117	24,708,790	24,285,500	25,855,419	27,052,920	30,306,430	37,712,940	42,989,450	39,454,980	40,012,470
School Dept.	19,182,291	19,720,294	17,987,493	20,067,784	20,293,700	20,943,122	24,206,272	31,538,942	28,132,861	27,408,864
Water Fund	2,337,196	4,858,947	4,307,298	5,985,849	7,685,000	7,788,000	11,103,000	12,578,000	11,573,000	10,763,000
DBIDA - Industrial Parks	1,970,000	1,795,000	1,825,000	1,455,000	1,285,000	1,115,000	945,000	1,098,000	845,000	595,000
DBIDA - Industrial Buildings	923,842	901,144	-	-	-	-	-	-	-	-
DBIDA - Industrial Project	-	-	-	-	-	-	2,383,554	1,908,453	1,861,775	1,823,435
Exempt from Legal Debt Limits (7)	14,191,400	15,751,843	14,657,086	17,488,329	17,609,571	17,804,914	18,855,057	18,295,300	16,286,543	19,409,788
Total Debt at June 30	\$ 49,731,848	\$ 67,734,018	\$ 62,842,377	\$ 70,852,151	\$ 73,908,191	\$ 77,957,366	\$ 95,206,823	\$ 108,423,145	\$ 99,154,139	\$ 100,012,355
<b>Unused Capacity of Legal Debt Limits</b>										
City Depts.	\$ 29,429,601	\$ 22,056,089	\$ 30,336,413	\$ 36,098,927	\$ 43,047,971	\$ 48,741,492	\$ 50,616,955	\$ 46,859,946	\$ 52,363,850	\$ 51,206,053
School Dept.	75,450,051	89,395,199	109,416,969	124,492,357	143,275,046	163,502,030	181,896,817	177,842,981	185,087,995	185,434,557
Water Fund	132,851,884	151,020,315	177,699,077	200,528,809	226,004,637	255,705,075	283,329,984	286,253,319	294,456,368	293,298,744
DBIDA - Industrial Parks	2,030,000	2,005,000	2,375,000	2,545,000	2,715,000	2,885,000	3,055,000	2,905,000	3,155,000	3,405,000
DBIDA - Industrial Buildings	78,158	98,856	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-
DBIDA - Industrial Project	NA	NA	NA	NA	NA	NA	203,393,203	222,913,227	228,965,305	223,382,108
<b>% of Legal Debt Limits Used</b>										
City Depts.	27.4%	52.8%	44.4%	41.7%	38.6%	38.3%	42.7%	48.0%	43.0%	43.9%
School Dept.	20.3%	18.1%	14.1%	13.9%	12.4%	11.4%	11.7%	15.1%	13.0%	12.9%
Water Fund	1.7%	3.1%	2.4%	2.9%	3.3%	3.0%	3.8%	4.2%	3.8%	3.5%
DBIDA - Industrial Parks	49.3%	44.9%	40.6%	36.4%	32.1%	27.9%	23.6%	27.4%	21.1%	14.9%
DBIDA - Industrial Buildings	92.4%	90.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DBIDA - Industrial Project	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%	0.9%	0.8%	0.6%

### Data Source

Audited Financial Statements

### Notes:

(1) In Fiscal Year 2009 the Arena Enterprise Fund was dissolved into the General Fund.

(2) Base Value for Debt Limits computed by the NH Department of Revenue Administration

(3) Legal debt limit percentage rates set by NH State statute

(4) Dover Business & Industrial Development Authority - Industrial Parks. Limit set by special legislation. New statute adopted by City Council February 9, 2005 effective for new debt authorizations.

(5) Dover Business & Industrial Development Authority - Industrial Park Buildings. Limit set by special legislation. New statute adopted by City Council February 9, 2005 effective for new debt authorizations.

(6) Dover Business & Industrial Development Authority - Bond Limit of general obligation of 8% of local assessed value.

(7) Debt exempt from Debt Limits consists of Hospital and Sewer debt, debt for hazardous waste remediation included in City Departments and debt for Public Parking Improvements as set per NH State statute.

# City of Dover, New Hampshire

## Ratios of Outstanding Debt by Debt Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities - General Obligation Debt							% of Net Debt to Assessed Value	Tax Supported Debt per capita (1)
	City Depts.	Hospital	School Dept.	Total	Less Hospital Reimbursement	Less State School Aid	Tax Supported Debt		
2009	\$ 48,729,256	\$ -	\$ 27,408,664	\$ 76,137,920	\$ -	\$ 8,194,381	\$ 67,943,539	2.5%	\$ 2,310
2008	41,974,543	-	29,132,861	71,107,404	-	8,679,349	62,428,055	2.2%	2,135
2007	45,784,300	-	31,538,942	77,323,242	-	8,863,991	68,439,251	2.5%	2,347
2006	39,661,057	-	24,206,272	63,867,329	-	5,421,046	58,446,283	2.3%	2,009
2005	30,982,814	-	20,943,122	51,925,936	-	4,240,639	47,685,297	2.0%	1,660
2004	27,332,571	-	20,293,700	47,626,271	-	4,682,229	42,944,042	2.1%	1,497
2003	25,708,328	-	20,067,764	45,776,092	-	5,120,525	40,655,567	2.2%	1,435
2002	22,628,086	-	17,987,493	40,615,579	-	4,027,482	36,588,097	2.3%	1,312
2001	23,673,243	-	19,720,294	43,393,537	-	4,401,080	38,992,457	3.5%	1,421
2000	13,916,837	-	19,182,291	33,099,128	-	4,793,257	28,305,871	2.8%	1,053

Fiscal Year	Business Type Activities - General Obligation Debt						Net debt per capita (1)	% of Personal Income (2)
	Water Fund	Sewer Fund	Arena Fund (3)	DBIDA Fund	Total	Less State Sewer Aid		
2009	\$ 10,763,000	\$ 11,128,000	\$ -	1,983,435	\$ 23,874,435	\$ 3,057,565	\$ 20,816,870	2.4%
2008	11,573,000	11,538,000	2,813,960	\$ 2,121,775	\$ 28,046,735	3,804,551	24,242,184	2.8%
2007	12,578,000	13,210,000	3,055,450	2,256,453	31,099,903	4,141,071	26,958,832	3.2%
2006	11,103,000	14,553,000	3,298,940	2,383,554	31,338,494	4,970,673	26,367,821	3.2%
2005	7,788,000	14,701,000	3,542,430	-	26,031,430	5,800,276	20,231,154	2.6%
2004	7,665,000	14,829,000	3,785,920	-	26,279,920	6,629,874	19,650,046	2.6%
2003	5,985,649	15,056,000	4,034,410	-	25,076,059	7,459,482	17,616,577	2.6%
2002	4,307,298	13,640,000	4,279,500	-	22,226,798	8,289,085	13,937,713	2.2%
2001	4,858,947	14,650,000	3,930,390	901,144	24,340,481	9,118,688	15,221,793	2.6%
2000	2,337,196	13,004,800	366,880	923,842	16,632,718	9,948,296	6,684,422	1.2%

Fiscal Year	Total Primary Government	Less State and Hospital	Net Debt	% of Net Debt to Assessed Value	Net Debt per capita (1)	% of Personal Income (2)
2009	\$ 100,012,355	\$ 11,251,926	\$ 88,760,429	3.2%	\$ 3,017	10.2%
2008	99,154,139	12,483,900	86,670,239	3.1%	2,965	9.9%
2007	108,423,145	13,025,062	95,398,083	3.5%	3,271	11.2%
2006	95,205,823	10,391,719	84,814,105	3.3%	2,915	10.3%
2005	77,957,366	10,040,915	67,916,451	2.8%	2,364	8.6%
2004	73,906,191	11,312,103	62,594,088	3.0%	2,182	8.2%
2003	70,852,151	12,580,007	58,272,144	3.1%	2,057	7.9%
2002	62,842,377	12,316,567	50,525,810	3.2%	1,812	7.2%
2001	67,734,018	13,519,768	54,214,251	4.8%	1,976	8.1%
2000	49,731,846	14,741,553	34,990,293	3.5%	1,302	5.5%

Data Source:  
Audited Financial Statements

- Notes:
- (1) Per capita ratios based on trended 2005 NH Office of State Planning population estimates
  - (2) Personal Income ratios based on trended 2000 US Census amounts.

## City of Dover, New Hampshire

### Computation of Overlapping Debt Strafford County Long Term Debt Last Ten Calendar Years

End of Calendar Year	Net General Obligation Debt Outstanding (1)	Percentage Applicable to Government (2)	Amount Applicable to Government
2008	\$ 21,027,839	26.7774830%	\$ 5,630,726
2007	22,762,838	26.6670679%	6,070,181
2006	24,495,948	25.8785931%	6,339,207
2005	24,960,356	26.6155271%	6,643,330
2004	26,361,597	26.5673221%	7,003,570
2003	23,565,225	26.6710874%	6,285,102
2002	21,834,311	27.2819282%	5,956,821
2001	1,882,838	27.6820496%	521,208
2000	2,082,838	27.9015386%	581,144
1999	815,000	27.9217957%	227,563

Data Sources:

(1) Strafford County Audited Financial Statements at calendar year end

(2) NH Department of Revenue Administration



## City of Dover, New Hampshire

### Demographic Statistics

Last Ten Fiscal Years

Fiscal Year	Population (1)	Median Family Income (2)	Estimated Total Personal Income (3)	Per Capita Personal Income (2)	City (4)		Unemployment Rates (4)		
					Unemployed	Labor Force	City	State of NH	US
2009	29,417	\$ 66,169	\$ 871,566,876	\$ 29,628	1,072	17,580	6.1%	6.8%	9.8%
2008	29,236	72,066	874,127,164	29,899	638	18,240	3.5%	4.0%	5.7%
2007	29,161	70,189	848,410,134	29,094	579	17,550	3.3%	4.0%	5.0%
2006	29,097	68,312	823,125,033	28,289	539	17,400	3.1%	3.6%	5.1%
2005	28,728	66,435	789,560,352	27,484	504	16,442	3.1%	3.8%	5.5%
2004	28,688	64,558	765,367,152	26,679	564	16,310	3.5%	4.3%	6.0%
2003	28,329	62,681	732,984,546	25,874	564	15,987	3.5%	4.7%	5.8%
2002	27,878	60,804	698,873,582	25,069	370	15,727	2.4%	3.5%	4.7%
2001	27,437	58,927	665,731,368	24,264	320	15,557	2.1%	2.8%	4.0%
2000	26,884	57,050	630,671,756	23,459	310	14,665	2.1%	2.7%	4.2%

#### Data Sources:

- (1) Trended 2005 NH Office of State Planning population estimates, 2000 and 1990 US Census.
- (2) Trended amounts based on 2000 and 1990 US Census information.
- (3) Estimated based on trended population and per capita personal income.
- (4) US Bureau of Labor Statistic - calendar year annual averages not seasonally adjusted.  
Reflects calendar year ending during fiscal year (mid-fiscal year).

## City of Dover, New Hampshire

### Principal Employers

#### Current Year and Nine Years Ago

Employer	Type of Business	2009			2000 (2)		
		Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Liberty Mutual Insurance Co	Insurance	2,613	1	14.86 %	1,100	1	7.50 %
Wenworth Douglas Hospital	Hospital	759	2	4.32	950	2	6.48
City of Dover (FTEs)	Municipality	758	3	4.31	760	3	5.18
Strafford County	County Government	482	4	2.74	Unknown		
Measured Progress	Scholastic testing	435	5	2.47	New since 2000		-
Churchill Medical Systems	Manufacturer - medical kits	230	6	1.31	Unknown		-
Cambridge Tool North	Manufacturer - Die Casting	190	7	1.08	New since 2000		-
Fosters Daily Democrat	Newspaper	121	8	0.69	Unknown		-
D.T. Magnetics	Manufacturer - Electronics	105	9	0.60	New since 2000		-
Park Nameplate	Nameplates for auto/cosmetics	93	10	0.53	New since 2000		-
Electrocraft (EAD Motors)	Electric motors & fans	Closed 2009			150	6	1.02
Goss (previously Heidelberg Harris)	Manufacturer - Presses	60			600	4	4.09
Moore Business Forms	Form handling equipment	Closed 2003			300	5	2.05
Total Principal Employers		5,846		32.91 %	3,860		26.32 %
Total City Employment (1)		17,580			14,665		

Data Source:

Final Official Statements for City of Dover bond issues and information provided by City's Business Assistance Office.

#### Notes

(1) US Bureau of Labor Statistics calendar year annual average ending during fiscal year.

(2) Numbers 7,8,9 and 10 unavailable at this time

# City of Dover, New Hampshire

## Operating Indicators by Function Last Ten Fiscal Years

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Finance</b>										
Taxable property parcels assessed	8,498	8,673	8,735	8,888	9,009	9,103	9,187	9,552	9,885	9,808
Property transfers processed	1,003	1,012	1,038	1,146	1,194	1,170	1,198	977	781	712
Motor vehicles registered	27,827	28,536	29,190	29,990	30,622	30,775	30,210	30,247	29,840	27,665
<b>Inspection Services Division</b>										
Number of inspections conducted (1)	525	553	589	640	637	623	782	1,214	1,278	4,227
Building Permits Issued	625	626	646	629	654	572	531	522	398	349
Estimated construction value in millions	\$ 35.80	\$ 49.28	\$ 51.25	\$ 42.87	\$ 55.95	\$ 45.88	\$ 53.58	\$ 74.20	\$ 53.51	\$ 33.74
<b>Police (2)</b>										
Physical arrests	1,189	1,263	1,559	1,585	1,252	1,245	1,349	1,469	1,213	908
Traffic violations	1,734	1,855	2,210	1,603	1,466	1,313	1,400	1,319	1,885	1,326
Parking violations	12,213	10,761	10,063	7,983	8,472	8,374	8,499	10,507	8,522	7,795
<b>Fire and Rescue</b>										
Calls answered	4,929	4,881	5,078	5,077	4,794	5,147	5,021	5,085	5,146	5,018
Emergency Responses	2,455	2,702	2,728	2,797	3,038	3,197	3,200	3,712	3,923	3,844
Fires extinguished	125	120	135	135	104	72	101	101	152	277
Emergency medical responses	1,764	1,875	1,896	1,949	2,144	2,224	2,175	2,441	2,692	2,349
<b>Community services - Public Works</b>										
Refuse collected (tons)	4,500	4,625	4,750	4,880	5,000	4,996	5,853	5,267	5,407	4,919
Recycling (tons)	2,600	2,750	2,820	2,875	2,060	2,823	3,017	4,255	3,036	2,532
Streets resurfaced (miles)	5.5	5.5	5.5	5.5	6.0	4.5	13.1	8.0	2.6	6.9
<b>Public Library</b>										
Volumes in collections	95,347	96,243	94,274	99,992	101,114	99,321	100,247	103,884	104,004	107,701
Total volumes borrowed	242,061	247,757	265,225	267,448	274,052	270,692	278,396	279,332	290,402	299,346
<b>Human Services - General Assistance</b>										
Number of contacts	1,960	1,949	2,366	2,421	3,328	3,935	4,956	4,010	4,763	4,987
Applicants	435	386	456	580	610	650	698	664	685	685
Assisted cases	273	277	386	453	479	487	538	521	532	507
<b>Water system:</b>										
Water main breaks	NA	NA	NA	NA	NA	4	2	13	18	16
Daily average consumption (millions of gallons)	2.1	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.5
Peak daily consumption (millions of gallons)	3.2	3.5	3.9	3.4	3.2	3.4	3.4	3.6	3.6	3.5
<b>Sewage System:</b>										
Daily average treatment (millions of gallons)	2.7	2.7	2.7	2.7	2.7	2.6	2.8	2.8	2.9	3.1

Data Source:  
Various city departments

### Notes

- (1) In FY 2009 the Building Inspection Division and Fire Inspection Division were combined into one Division. Beginning in 2009, the number of inspections conducted includes fire inspections conducted, whereas prior years do not.
- (2) Calendar year ending during the fiscal year

## City of Dover, New Hampshire

### Capital Asset Statistics by Function Last Ten Fiscal Years

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of patrol units	10	10	10	10	10	10	10	10	10	9
Fire and Rescue										
Number of stations	2	2	2	2	2	2	2	2	2	3
Number of ladder trucks	2	2	2	2	1	1	1	2	2	2
Number of pumpers	4	4	4	4	4	4	4	3	3	4
Number of support vehicles	7	7	6	5	5	5	5	6	6	6
Number of ambulances	3	3	3	3	3	3	3	3	3	3
Community Services - Public Works										
Miles of streets	129	129	130	131	131	131	132	132	133	133
Miles of storm drains	56	56	56	57	57	64	65	67	67	69
Number of street lights	1,775	1,800	1,825	1,831	1,836	1,770	1,773	1,773	1,777	1,776
Number of bridges	11	11	11	11	11	11	11	11	11	11
Recreation:										
Community centers	1	2	2	2	2	2	2	1	1	1
Number of parks	15	15	15	16	17	18	18	18	18	25
Park acreage	210	210	210	236	250	274	274	274	274	235
Playgrounds	9	9	9	10	11	11	12	12	12	15
Baseball/softball fields	6	6	7	8	10	10	10	10	10	6
Football/soccer fields	4	4	4	5	7	7	7	7	7	2
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	9	9	9	9	9	9	9	9	9	10
Indoor gyms	1	2	2	2	2	2	2	1	1	1
Indoor ice skating sheets	1	2	2	2	2	2	2	2	2	2
Water system:										
Miles of water mains	130	132	133	133	134	148	149	151	155	153
Number of service connections	7,350	7,450	7,500	7,656	7,900	7,993	8,040	8,124	8,156	8,218
Storage capacity in gallons (millions of gallons)	5	5	5	5	5	5	5	5	5	5
Maximum daily capacity of plant (millions of gallons)	3.4	3.4	3.4	3.4	3.4	3.4	3.4	4	5	5
Number of fire hydrants	NA	NA	NA	960	960	967	1,050	1,093	1,097	1,107
Sewage System:										
Miles of sanitary sewers	85	86	112	112	112	117	117	120	120	120
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of service connections	6,100	6,260	6,387	6,488	6,700	7,154	7,215	7,332	7,398	7,464
Maximum daily capacity of treatment (millions of gallons)	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7

Data Source:

Various city departments



## City of Dover, New Hampshire

### City Government Employees by Function - Full Time Equivalents

Last Ten Fiscal Years

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>General Government</b>										
Executive	10.9	12.2	11.8	12.7	11.4	13.5	12.6	12.9	13.7	12.7
Finance	14.5	15.5	15.7	15.7	16.0	16.0	16.0	16.0	16.0	16.0
Planning (1)	8.6	8.9	8.9	9.5	10.0	10.0	10.6	10.6	9.6	5.5
<b>Total General Government</b>	<b>34.1</b>	<b>36.6</b>	<b>36.4</b>	<b>37.8</b>	<b>37.4</b>	<b>39.5</b>	<b>39.2</b>	<b>39.5</b>	<b>39.3</b>	<b>34.2</b>
<b>Public Safety</b>										
Police - Sworn Officers	48.4	51.5	53.6	54.6	54.6	54.6	55.7	52.6	50.5	48.4
Police - Non-sworn employees	21.8	22.8	23.5	24.0	24.0	24.5	25.6	27.1	27.6	25.6
<b>Total Police Department</b>	<b>70.2</b>	<b>74.3</b>	<b>77.1</b>	<b>78.7</b>	<b>78.7</b>	<b>79.1</b>	<b>81.3</b>	<b>79.7</b>	<b>78.1</b>	<b>74.0</b>
Fire and Rescue (1)	47.5	48.6	48.9	48.9	50.3	50.3	54.6	54.6	54.6	61.1
<b>Total Public Safety</b>	<b>117.7</b>	<b>122.9</b>	<b>126.0</b>	<b>127.6</b>	<b>128.9</b>	<b>129.5</b>	<b>135.8</b>	<b>134.3</b>	<b>132.7</b>	<b>135.1</b>
<b>Public Works</b>										
General Fund functions (2)	40.6	43.3	44.5	44.6	43.5	43.4	43.8	39.4	38.5	36.6
Water	13.5	12.5	13.5	13.5	13.5	13.5	13.5	13.0	13.0	13.0
Sewer (3)	17.0	17.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0
Fleet maintenance	5.5	5.9	5.9	5.9	5.9	6.0	6.0	5.7	5.0	5.0
<b>Total Public Works</b>	<b>76.6</b>	<b>78.7</b>	<b>79.9</b>	<b>80.0</b>	<b>78.9</b>	<b>78.9</b>	<b>79.3</b>	<b>74.2</b>	<b>72.5</b>	<b>70.6</b>
<b>Culture and Recreation</b>										
Recreation (2)	29.7	35.8	36.7	36.5	33.8	34.4	33.5	33.1	34.9	34.8
Public Library	14.9	15.1	15.4	15.7	15.6	15.5	15.8	15.8	14.8	13.8
<b>Total Culture and Recreation</b>	<b>44.6</b>	<b>51.0</b>	<b>52.1</b>	<b>52.1</b>	<b>49.3</b>	<b>49.9</b>	<b>49.2</b>	<b>48.9</b>	<b>49.7</b>	<b>48.6</b>
<b>Human Services</b>										
Welfare (4)	4.5	4.5	5.4	5.4	5.4	5.3	2.8	2.8	2.8	2.8
<b>Total Human Services</b>	<b>4.5</b>	<b>4.5</b>	<b>5.4</b>	<b>5.4</b>	<b>5.4</b>	<b>5.3</b>	<b>2.8</b>	<b>2.8</b>	<b>2.8</b>	<b>2.8</b>
<b>Total All Functions</b>	<b>277.5</b>	<b>293.7</b>	<b>299.7</b>	<b>302.9</b>	<b>299.9</b>	<b>303.0</b>	<b>306.4</b>	<b>299.5</b>	<b>297.0</b>	<b>291.3</b>
<b>Percent of Total</b>										
General Government	12.3%	12.5%	12.2%	12.5%	12.5%	13.0%	12.8%	13.2%	13.2%	11.7%
Public Safety	42.4%	41.8%	42.0%	42.1%	43.0%	42.7%	44.3%	44.8%	44.7%	46.4%
Public Works	27.6%	26.8%	26.6%	26.4%	26.3%	26.0%	25.9%	24.8%	24.4%	24.2%
Culture and Recreation	16.1%	17.4%	17.4%	17.2%	16.5%	16.5%	16.1%	16.3%	16.7%	16.7%
Human Services	1.6%	1.5%	1.8%	1.8%	1.8%	1.7%	0.9%	0.9%	0.9%	1.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Data Source:

Budgeted Positions per City of Dover Budget. Full time equivalent based on 40 hours per week.

#### Notes

- (1) The Building Inspection Division of the Planning Department was transferred to the Fire and Rescue Department in FY09.
- (2) A reorganization of personnel occurred in 1996 concentrating maintenance workers to Public Works.
- (3) The operations of the Wastewater Treatment Plant were taken over from a private firm in 2000 after a 5 year contract.
- (4) The Youth Resource Div of Human Services was transferred to the Police Dept in FY06.

## City of Dover, New Hampshire

### School Building Information Last Ten Fiscal Years

	2000	2001	2002	2003	Fiscal Year 2004	2005	2006	2007	2008	2009
<b>Garrison Elementary</b>										
Square feet	49,678	49,678	49,678	49,678	49,678	55,178	65,938	65,938	65,938	65,938
Teachers	35.5	30.6	31.0	30.0	31.3	24.9	25.5	31.5	31.5	33.7
Capacity	612.5	612.5	612.5	612.5	612.5	672.5	672.5	672.5	672.5	672.5
Enrollment	624.0	496.0	496.0	440.0	428.0	400.0	379.0	512.0	523.0	541.0
<b>Horne Street Elementary</b>										
Square feet	39,914	39,914	48,236	48,236	48,236	48,236	48,236	48,236	48,236	48,236
Teachers	25.5	20.6	22.8	25.3	23.8	26.4	24.4	22.4	22.4	25.5
Capacity	567.5	567.5	612.5	612.5	612.5	612.5	612.5	612.5	612.5	612.5
Enrollment	440.0	348.0	334.0	391.0	435.0	447.0	474.0	358.0	370.0	365.0
<b>Woodman Park Elementary</b>										
Square feet	73,108	73,108	73,108	73,108	73,108	73,108	73,108	105,178	105,178	105,178
Teachers	33.5	29.5	26.0	33.0	27.5	29.8	30.8	32.3	32.3	28.9
Capacity	477.5	477.5	477.5	477.5	477.5	477.5	477.5	594.0	594.0	594.0
Enrollment	528.0	433.0	446.0	462.0	479.0	460.0	454.0	468.0	482.0	506.0
<b>Totals All Elementary Schools</b>										
Square feet	162,700	162,700	171,022	171,022	171,022	176,522	187,282	219,352	219,352	219,352
Teachers	94.5	80.7	79.8	88.3	82.6	81.1	80.7	86.2	86.2	88.1
Capacity	1,657.5	1,657.5	1,702.5	1,702.5	1,702.5	1,762.5	1,762.5	1,879.0	1,879.0	1,879.0
Enrollment	1,592.0	1,277.0	1,276.0	1,293.0	1,342.0	1,307.0	1,307.0	1,338.0	1,375.0	1,412.0
<b>Dover Middle School (1)</b>										
Square feet	164,000	164,000	164,000	175,020	175,020	175,020	175,020	175,020	175,020	175,020
Teachers	47.0	66.0	67.0	69.2	73.5	67.7	75.0	72.9	72.9	67.7
Capacity (2)	1,220.0	1,220.0	1,220.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0	1,380.0
Enrollment	1,778.0	1,034.0	1,086.0	1,137.0	1,142.0	1,098.0	1,082.0	1,109.0	1,116.0	1,094.0
<b>Dover High School</b>										
Square feet	215,975	215,975	215,975	226,735	226,735	226,735	226,735	226,735	226,735	226,735
Teachers	85.8	96.7	102.6	106.8	107.4	110.6	110.4	116.8	116.8	116.8
Capacity	1,600.0	1,600.0	1,600.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0	1,760.0
Enrollment	1,587.0	1,682.0	1,670.0	1,682.0	1,742.0	1,658.0	1,866.0	1,779.0	1,692.0	1,728.0
<b>Totals All Schools</b>										
Square feet	542,675	542,675	550,997	572,777	572,777	578,277	589,037	621,107	621,107	621,107
Teachers	227.3	243.4	249.4	264.3	263.5	259.4	266.1	275.9	275.9	272.6
Capacity (2)	4,477.5	4,477.5	4,522.5	4,842.5	4,842.5	4,902.5	4,902.5	5,019.0	5,019.0	5,019.0
Enrollment	3,957.0	3,993.0	4,032.0	4,112.0	4,226.0	4,063.0	4,255.0	4,226.0	4,183.0	4,234.0
<b>Food Service - All Schools</b>										
Number Meals Served	313,463	310,365	336,015	341,679	352,406	351,783	333,139	340,863	335,834	341,272
Avg Daily Participation	1,741	1,724	1,867	1,898	1,958	1,954	1,851	1,894	1,866	1,896

Data Source:

School Department - as of official NH Department of Education reporting date: Oct 1st

#### Notes

- (1) In 2001 a new Middle School replaced the Junior High School/Middle School. Grades changed from 6th through 8th to 5th through 8th.
- (2) Capacity of old Middle School is not known.

## City of Dover, New Hampshire

### School Department Operating Statistics

Last Ten Fiscal Years

Fiscal Year	Operating Budget (1)	Debt Service (1)	Total Budget	Enrollment (2)	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Attendance Percentage
2009	\$ 39,216,997	\$ 3,761,337	\$ 42,978,334	4,234	\$ 10,151	2.1%	272.6	15.5	94.6%
2008	37,912,706	3,689,854	41,602,560	4,183	9,946	7.8%	275.0	15.2	95.2%
2007	36,203,218	2,799,270	39,002,488	4,226	9,229	6.2%	275.9	15.3	94.6%
2006	34,363,074	2,598,888	36,961,962	4,255	8,687	2.3%	266.1	16.0	94.5%
2005	32,065,504	2,448,119	34,513,623	4,063	8,495	8.0%	259.4	15.7	95.2%
2004	30,922,459	2,316,331	33,238,790	4,226	7,865	1.3%	263.0	16.1	94.8%
2003	29,751,613	2,178,843	31,930,456	4,112	7,765	5.0%	264.3	15.6	95.0%
2002	27,670,695	2,148,055	29,818,750	4,032	7,396	11.0%	249.4	16.2	NA
2001	24,653,632	1,941,623	26,595,255	3,993	6,660	15.5%	243.4	16.4	NA
2000	21,939,513	887,297	22,826,810	3,957	5,769	9.4%	227.3	17.4	NA

Data Source:

Budget information from City Adopted Budget and non-financial information provided by the School Department.

Notes:

- (1) Budget is for the General Fund only and excludes grant funds and cafeteria.
- (2) Enrollment is based on start of year census.

## City of Dover, New Hampshire

### School Educational and Service Information Last Ten Fiscal Years

	2000	2001	2002	2003	Fiscal Year 2004	2005	2006	2007	2008	2009
<b>Dover High School</b>										
Senior Enrollment (1)	298	329	314	344	357	355	353	411	393	391
<b>Status of Seniors (2)</b>										
Graduated	258	292	287	333	352	336	335	372	366	352
Enrolled in four-year college	120	123	121	160	143	141	140	167	162	180
Enrolled in two-year college	53	49	54	57	68	74	60	76	84	70
Enlisted in Armed Forces	7	10	12	11	16	10	10	5	18	10
Post-secondary, workforce or other	78	110	100	105	125	104	125	124	102	92
<b>SAT Mean Scores</b>										
Verbal	524	497	508	519	515	518	503	518	512	497
Math	513	499	510	518	511	516	504	520	517	507
% of Seniors taking test	70%	63%	62%	65%	65%	65%	62%	61%	62%	63%

Data Source:

School Department - as of official NH Department of Education reporting date: Oct 1st

#### NOTES:

- (1) As of Official DOE Reporting Date: Oct 1st. Enrollment includes tuition students.
- (2) As of end of fiscal year.



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